

REVIEWING THE COMPARATIVE STATEMENT.
Ending June 30th. 1958.

The first 6-months in 1958 shows an average room occupancy of a flat 57% occupancy..... With a room drop of \$64,375 from 1957 to 1958, 6-months, ending June 30th.

Also on the whole rooms, food, & beverages shows a decline of \$156,982 for the same 6-months in dollars.

The net loss however shows a \$28,419.25..... This may be correct I presume it is.

However, if this loss was carried over on the next 6-mo. which I presume it might be that runs into well over \$300,000.00

In this period there were 9320- VACANT ROOMS..... According to HORWATH & HORWATH, National Hotel Auditing Firm the basis is at least 75% occupancy before an average Hotel shows a profit..... a 57% occupancy is way out of line.

The INN has been declining for several years according to the reports, but this year 1958 is beginning to show a dangerous situation.

The rate are not to my mind correct, they are too low on the average, but they could be raised gently and with well trained clerks who are room salesmen this could be accomplished.. There is not a Motel or Inn of the more modest service that does not have a much higher rate than this great MOTOR INN.

The Telephone Department shows a loss for the first six months of 1958 of \$9,117.33. (Nine thousand eleven ~~seven~~ dollars and thirty three cents.)
seventeen.

There has to be a waste waste and no supervising of telephone calls to make this possible, unless they are giving telephone calls free.

These are just a few things that seem out of line, or probably I don't understand..... This Hotel is actually losing over \$300,000.00. per year as shown by the books. In my mind there are many things that could be corrected, too numerous and dangerous to mention.

Repairs for three months in 1958 dropped from 1957-\$22,191.68 to \$14,273.61..... This might be up-keep slipping.

Food department shows a profit of 6.3%, with the volume this does not look right.....

The fall off in the beverage department denotes, either the pourage is wrong or various other things might happen.

BAKERSFIELD

Inn



THE WORLD'S LARGEST HIGHWAY HOTEL

BAKERSFIELD, CALIFORNIA

ESTATE OF FRANK S. HOFUES, SR.

August 25, 1959

Mr. W. J. Bauermeister, President
Wallace Moir Insurance Agency
130 El Camino Drive
Beverly Hills, California

Re: Bakersfield Inn

Dear Jack:

This letter will serve as notice to your agency that if, for any reason, any policies in connection with the Bakersfield Inn are cancelled by your company, until the sale to Mr. Walter H. Nelson has been consummated you are requested to give notice of this to Mr. Nelson c/o the Bakersfield Inn, with an additional copy being furnished him at 171 West 71st Street in New York City.

This notice would particularly be applicable to fire insurance, but should also embrace all insurance in connection with the Inn.

Very truly yours,

A handwritten signature in blue ink that reads "Frank S. Hofues, Jr." The signature is written in a cursive style.

FRANK S. HOFUES, JR., Administrator
Estate of Frank S. Hofues, Sr.

FSH:w

cc: Mr. Walter H. Nelson
c/o Jonathan Club
Los Angeles, Calif.

✓ cc: Mr. Walter H. Nelson
c/o Bakersfield Inn
Bakersfield, Calif.

C
O
P
Y

Mr. Frank S. Hofues, Jr., Administrator
Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

Dear Sir:

I hereby waive any rights or claims against Frank S. Hofues, Jr., the Estate of Frank S. Hofues, Sr. and the Bakersfield Inn for any labor, material or supplies furnished by me in connection with the work which I shall perform on the property known as the Bakersfield Inn.

I further waive the right to place a lien against the property known as the Bakersfield Inn for any labor which I shall perform on the property known as the Bakersfield Inn.

I further shall look to Walter H. Nelson for payment for all labor and material I shall furnish on the property known as the Bakersfield Inn.

Signed this 15th day of Sept, 1959.

Electrical Prod. Corp.
(Company)

By A. E. Stuart

m.g.w.
(Title)

Mr. Frank S. Hofues, Jr., Administrator
Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

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Signed this _____ day of _____, 1959.

(Company)

By _____

(Title)

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Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

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Signed this 27 day of Aug, 1959.

Eddy & Painter
(Company)

By Walter H. Eddy
partner
(Title)

Mr. Frank S. Hofues, Jr., Administrator
Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

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Signed this 27 day of Aug, 1959.

Eddy and Repton
James N. Eddy

(Company)

By *James N. Eddy*
partner

(Title)

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Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

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Signed this 26 day of Aug., 1959.



(Company)

By 

Owner
(Title)

Mr. Frank S. Hofues, Jr., Administrator
Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

Dear Sir:

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Signed this 26 day of Aug., 1959.

Lee Corp & Co
(Company)

By Walter H. Nelson
Owner
(Title)

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Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

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(Company)

By _____

(Title)

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Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

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Signed this _____ day of _____, 1959.

(Company)

By _____

(Title)

BAKERSFIELD *Inn*



THE WORLD'S LARGEST HIGHWAY HOTEL

BAKERSFIELD, CALIFORNIA

ESTATE OF FRANK S. HOFUES, SR.

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Estate of Frank S. Hofues, Sr.
Bakersfield Inn
Bakersfield, California

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Signed this ____ day of _____, 1959.

(Company)

By _____

(Title)



THE BUTLERY

SWIMMING POOL AND CABANA

THE MAYFAIR WESTERN HOTEL

1256 WEST SEVENTH • LOS ANGELES 17, CALIFORNIA

- I Proposal or mortgage requested 144/23 x
- II Pertinent Area Statistics
- III Site & Facilities description, location, plot plan City Map
- IV Projected Ownership & Management info. who - background, evidence & recommendations
- V Evaluation
 - a. Estate appraisal
 - b. Current appraisal if available
 - c. Operating & P&L statements for at least 5 yrs
 - d. Statement of existing encumbrances, balances, original amts, rates, terms - other obligations
 - e.
- VI Economics
 - a. Pro-forma statement & operating sheet reflecting new management and re-financing at 6 months, 1 yr, 2 yrs, 5 yrs if practicable
 - 1. Outline of practice & procedures to be instigated by new management. Controls, savings, refurbishing



Honolulu, T. H.: Hawaiian Village

Seattle: Olympic, Benjamin Franklin, Roosevelt; Spokane, Wash.: Davenport; Tacoma: Winthrop; Wenatchee, Wash.: Cascadian; Bellingham, Wash.: Leopold; Walla Walla, Wash.: Marcus Whitman; Salt Lake City: Newhouse; Vancouver, B. C.: Georgia; Portland: Multnomah, Benson; Boise, Idaho: Boise, Owyhee; Pocatello, Idaho: Bannock; Billings, Montana: Northern; Denver, Colorado: Cosmopolitan; San Francisco: St. Francis, Sir Francis Drake, Maurice; Los Angeles: Mayfair; Palm Springs: The Oasis; Great Falls, Montana: Rainbow; Butte, Montana: Finlen

Red ("THE WORLD'S FAMOUS BAKERSFIELD INN")
Public Relations Department.

RELEASE--A T--W I L L .

MANY OLD FRIENDS OF ANDY McDONALD, WHO IS A NATIVE OF SAN FRANCISCO AND A FORMER RESTAURATEUR AND SPORTSMAN, WILL BE HAPPY TO HEAR THAT HE IS BACK IN TOWN AND IN ACTION AGAIN, AFTER SEVERAL YEARS OF RETIREMENT, BEATING THE DRUMS FOR "THE WORLD'S FAMOUS BAKERSFIELD INN" AND IT'S EQUALLY FAMOUS OWNER AND MANAGER, "CLAYTON V. SMITH, WHO WILL BE REMEMBERED BY SO MANY SAN FRANCISCANS, NOT ONLY BECAUSE OF HIS OUT*STANDING RECORD AS ONE OF THE WEST'S LEADING HOTEL MEN, WHILE HE WAS VICE PRESIDENT OF THE HAMILTON CHAIN OF 17 HOTELS AND

Red (ALSO THE MAN WHO GAVE THE GREAT WILBUR CLARK OF THE DESERT INN AT LAS VEGAS HIS START AT "THE EL RANCHO VEGAS IN 1943, WHICH HE OWNED) BUT FOR SOMETHING DEAR TO THE HEARTS OF EVERY SAN FRANCISCAN AND MOST EVERY CALIFORNIAN WHO STILL REMEMBERS "THE LATE GOVERNOR JAMES ROLPH" BECAUSE CLAYTON V. SMITH WAS NOT ONLY A FRIEND AND CONFIDANT TO JAMES ROLPH BUT WAS HIS PRIVATE PILOT FOR OVER SIX YEARS.

CLAYTON V. SMITH AND HIS FRIEND AND PARTNER "MULTI MILLIONAIRE NEW YORK OIL MAN" WALTER H. NELSON, HAVE JUST PURCHASED THIS MULTI MILLION DOLLAR "LUXURY HOSTELRY" WHICH IS THE WORLD'S LARGEST, CONSISTING OF 350 LUXURIOUSLY FURNISHED ROOMS, ALL WITH TILE BATHS, AIR CONDITIONED IN SUMMER AND HEATED IN WINTER, TELEVISIONS IN EVERY ROOM, THERE ARE 5 DINING ROOMS, 15 PUBLIC ROOMS FOR PRIVATE MEETINGS, A BALL ROOM, OR AUDITORIUM, WILL SEAT 750, HAS 4 PLUGS FOR HOOKING UP MICROPHONES WITH 9 SPEAKERS, WELL DISTRIBUTED FOR EVEN RECEPTION: ALL AUDIO EQUIPMENT WITH NO EXTRA CHARGE AND ALL 15 PUBLIC ROOMS ARE AIR CONDITIONED, OR HEATED: THE INN USES 14 ACRES TO HOUSE IT'S CONGENIAL, INFORMAL ATMOSPHERE, EMPHASIZED BY ARCHITECTURE BORROWED FROM THE SPANISH DONS AND BROUGHT TO MODERN LUXURY TO MAKE THE BAKERSFIELD INN, YOUR HOME AWAY FROM HOME, WHETHER YOU ARE INDIVIDUAL, OR WITH A CONVENTION AND WE CATER TO YOU WITH ATTRACTIVE RATES AND NOW, FOR A REAL TREAT TO YOU WHO SWIM, OR JUST LIKE TO LIE NEAR A POOL*OUR SWIMMING POOL IS ONE OF THE FINEST IN CALIFORNIA AND IS ALL TILE, HEATED SOFT WATER, ORNATE AND WE RETAIN A LIFE GUARD AT ALL TIMES.

OUR MOTO IS --MAKE THE TRAVELER FEEL AT HOME, AWAY FROM HOME.

Red (YOUR SYBARITIC HOST---CLAYTON V. SMITH.)

"THE WORLD'S FAMOUS BAKERSFIELD INN"
Public Relations Department.

RELEASE AT WILL-

This luxury multi million dollar hostelry has just been purchased by "The Nelson, Smith Co. "Walter O. Nelson," a New York Oil Man and his partner and operator of "THE INN" Clayton V. Smith, one of the West's leading hotel men and well remembered, when he was vice-president of the Hamilton chain of 17 top rate hotels; then he joined the Tom Hull chain of hotels and in 1943, Clayton V. Smith bought the El Rancho Vegas at Las Vegas where he made "THE GREAT WILBUR CLARK OF THE DESERT INN, HIS PARTNER, BUT FOR SOMETHING DEAR TO THE HEARTS OF EVERY CALIFORNIAN, WHO STILL REMEMBERS THE LATE GOVERNOR, JAMES ROLPH," Clayton V. Smith was not only James Rolph's friend and confidant but his private pilot for six years, a close and personal friend of Del Webb, belongs to Las Vegas Lodge #32-Masons, Los Angeles Consistory 32nd Degree Masons and Islam Shrine San Francisco, Fresno American Legion, a member of the Jonathan Club at Los Angeles and the various hotel associations and various luncheon clubs.

One half million dollars will be spent in the immediate future to improve the now most luxurious hostelry to even greater heights, to lure and satisfy the most ardent "SYBARITE" and prove to the great traveling public that "THE WORLD'S FAMOUS BAKERSFIELD INN" is not just an overnight stopping place for travelers who are on their way to a plush hotel but instead, the INN offers the very latest in modern convenient accommodations, appointments, decor, cuisine and service that will rank with the Waldorf Astoria, The Drake, The Ambassador East, etc., "PLUS THE CONVENIENCE OF YOUR CAR BEING PARKED AT YOUR DOOR." In other words, a home away from home, with all the luxuries thrown in.

There are 350 rooms, all luxuriously furnished, tile baths, air conditioned in summer, heated in winter, free television in all rooms. Many rooms are connecting and can be made into suites.

There are 5 dining rooms: Seating capacity--Main Dining Room, 150; Coffee Shop, 150; Sun Room, 75; Patio, 200; Steak House, 100; Banquet Room, 500.

There are 15 public rooms, for private meetings, seating from 50 to 750 -- and our rates are most attractive, either to conventions, or to an individual. Rooms start at \$5.00 to \$22.00 and public rooms range from \$15.00 to \$100.00.

The Ball Room, or auditorium, will seat 700 to 750 and has four plugs for hooking up microphones, with nine speakers, well distributed for even reception. All audio equipment furnished with no extra charge and all 15 rooms, including the mammoth Ball Room, are air conditioned, or heated, as you choose.

Recreational Facilities -- A swimming pool that is one of the finest in California, all tile, heated soft water, ornate in every way, and a Life Guard is working at all times. At least six riding academies within a few minutes of the Inn; boating at Lake Isabella, at Hart Park, a few minutes from the Inn, and fishing and hunting are here for the sportsman.

And although you may find beauty shops, barber shops, books, and last but far from being least, for the thirsty ones, there are three bars and entertainment every night to keep you happy.

YOUR SYBARITIC HOST, CLAYTON V. SMITH, WISHES THE TRAVELER WHO STAYS AT THE WORLD'S FAMOUS BAKERSFIELD INN TO FEEL AT HOME AWAY FROM HOME AND ENJOY THIS LUXURY HOSTELRY WHICH IS BUILT ON 14 ACRES -- LAWN-COVERED, PALM TREE SHADED, AND BEAUTIFUL PLANTS AND FLOWERS, WHICH GIVES THE FEELING OF CONGENIALITY, INFORMAL ATMOSPHERE, EMPHASIZED BY ARCHITECTURE BORROWED FROM THE SPANISH DONS AND BROUGHT TO MODERN LUXURY, TO MAKE THE BAKERSFIELD INN DESIRED BY THE INDIVIDUAL TRAVELER... OR ANY LARGE GROUP...OR CONVENTION.

HENRY FULTZ, SR. ROBERT COATS HENRY FULTZ, JR.

PHONE FA 5-5818 or FA 5-5819

Kern

PRINTING CO.

LITHOGRAPHY * SNAP-EZE CARBON FORMS
BUSINESS AND SOCIAL FORMS

2020 EYE STREET

BAKERSFIELD, CALIFORNIA

Davis Nelson-Smith H
due + delinquent
13,054.72 Total

12,597.04
57.68 Int

13,147.2 Total P.P. Int

2054.00 Eq Int

Int Hopew

Real + Property

22,037.25
06

6% Penalty

13,222.35 0

till April

Quarterly P.R. Int

12,997.04
57.68

13,054.72

Aug + Sep
July =
Hopew

NATIONAL RECLAMATION CONVENTION -
November 16-18
DELEGATES EXPECTED TO START ARRIVING
ON NOVEMBER 14th.

HEADQUARTERS - INN

STATE FARM BUREAU CONVENTION -
November 13-17

HEADQUARTERS - HACIENDA

JERI BRUCE NEEDS TO HAVE 500 ROOMS
FOR ONE GROUP AND 550 THE OTHER.
THEY ALL SHOULD BE ON THE STRIP.

HACIENDA HAS 118 UNITS - HOLDING 75
FOR FARM BUREAU.

WE HAVE COMMITTED 200 ROOMS FOR THE
NRA DELEGATES. JERI WOULD LIKE TO
HAVE US LET THEM HAVE 50 MORE ROOMS.

THE 200 ROOMS WERE COMMITTED BY MARVIN
BROWN IN LETTER DATED OCTOBER 28, 1958.

THIS WAS DONE IN ALL BIDS TO CONVENTION
AND IS ON CONDITION HEADQUARTERS WILL BE
AT THE INN. 200 ROOMS WERE ALSO GIVEN
FARM BUREAU IF HEADQUARTERS INN. THEY
WON'T BE SO THAT LETS US OUT - JUST
200 ROOMS TO N.R.A.

3030 E 21ST

BY KENZIEGO' CYTLOSHNY

Travels 20-

Kor BILLING CO

PHONE 14 2-2818 4-14 2-2818

HEMBA 607 15' 26'

ROBERT COVIG

HEMBA 607 15' 26'

NATIONAL RECLAMATION CONVENTION -
November 16-18

DELEGATES EXPECTED TO START ARRIVING
ON NOVEMBER 14th.

1400
6

81400

STATE FARM BUREAU CONVENTION -
November 13-17

HEADQUARTERS - HACIENDA

1100
10

1100

New Year's
Club Hours open

THE 200 ROOMS WERE COMMITTED BY MARVIN
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AND IS OF CONDITION HEADQUARTERS WILL BE
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FARM BUREAU IN HEADQUARTERS INN. THEY
WOULDN'T BE SO THAT LETS US OUT - JUST
200 ROOMS TO H.R.A.

BAKERSFIELD, CALIFORNIA 2020 EYE STREET

LITHOGRAPHY * SNAP-EZE CARBON FORMS
BUSINESS AND SOCIAL FORMS

PRINTING CO.

PHONE FA 5-5818 or FA 5-5819

HENRY FULTZ, SR. ROBERT COATS HENRY FULTZ, JR.

Kern

Statement
Clayton V. Smith Account.
 (Advances Made by Guy L. Parker)

<u>Date</u>		<u>Amount</u>
April 30, 1959	by check # 8	5000 ✓
May 8 "	" " # 11	5000 ✓
May 12 "	" " # 14	25000 ✓
May ²³ 18 "	" " # 18	5000 ✓
June 4 "	" " # 21	5000 ✓
June 15 "	" " # 28	10000 ✓
June 28 "	by cash	2000 ✓
July 3 "	by check # 40	5000 ✓
July 18 "	" " # 47	5000 ✓
July ²⁸ 27 "	by cash	2000 ✓
Aug. 1 "	by check # 56	5000 ✓
Aug. 9 "	" " # 60	57500 ✓
Aug 9 "	" " # 61	5000 ✓
Aug (17) "	" " # (67)	<u>5000</u>
Aug 22 "	" " # 69	5000 ✓

Total ————— \$ 146500

RESUME OF MEETING WITH AL CONSTANT AND ED TABOR

RE: BUILDING AND SPACE FOR KBAK-TV CHANNEL 29 IN THE
BAKERSFIELD INN.

Met with these gentlemen after they had visited with Mr. Smith,
and our talk evolved these facts:

1. They are willing to pay a small amount of cash each month for space rental, plus a given amount of TV time, plus slide identification on all station breaks, naming the new WORLD FAMOUS BAKERSFIELD INN.
2. They will require the lobby on the East side of Union Ave. for a reception office, plus six additional offices adjoining, on the North of the lobby tower. This can be accomplished in four rental units.
3. They will also require entrance to the new building from the South as well as East side.
4. Channel 29 will furnish necessary information for interior of new building to suit their needs, and arbitrate from that point. Outside architecture of building is of no concern to them.
5. Provided this can be done without any large cash outlay, KBAK will build in all power and transmission lines, and cables during construction period.
6. The outcome of the meeting is simply that KBAK is more than interested, and now wants to have a rough diagram of the size of the actual building to be built, as well as height of inside ceilings. They will then write in the partitions they will require.
7. Once these steps have been taken it will depend on a meeting between Mr. Smith, Mr. Nelson, and the KBAK primary people to complete negotiations from that point.



John Haslam

JH/dp

KBAK / TV



BAKERSFIELD CALIFORNIA • CHANNEL 29 • P. O. BOX 1448 • EXPORT 9-1761

December 22, 1959

Mr. Clayton Smith
Bakersfield Inn
1101 Union Avenue
Bakersfield, California

Dear Mr. Smith:

Enclosed herewith is one of my business cards you requested this morning.

I am taking this opportunity to thank you for your hospitality and for taking the time to show me throughout the World Famous Bakersfield Inn and telling me of your plans for remodeling and expansion as well as the many future plans that may be agreed upon between the Bakersfield Inn and KBAK TV for a possibility of television studio facilities for our company.

29 th

I would like to extend my most sincere Holiday Greetings to you, your family, and the employees of the Bakersfield Inn during this Holiday Season.

Best regards,

Edw. R. Tabor,
General Manager

ERT/hs

Encl.

(Al Constant)

Name	Position	Address	Telephone
Front Office	Night Porter	1602 Filson St	
Audrey Adams	Painter	145 T St	FA 2-8901
Weaver William	Carpenter	2715 Terry St	
Kyles Farham	Engineer	1329 Bernard	FA 3-9770
George Cunin	Res Mgr	2419 Manor Dr	EX 9-3191
Richard Addison	Desk Clerk	Bakersfield Inn (Rm 338)	FA 3-7691
Jo Boston	Cashier-clerk	1104 Miles	FA 4-2145
Russell Long	Relief	2637 Alred ST	FA 2-0849
Robert Mackenzie	Night Auditor	Bakersfield Inn (Rm 141)	FA 3-7691
Joyce Meers	Cashier-Drive	1200 Sylvan Drive	TE 1-0301
Margaret Threewit	Chief Operator	622 King St	FA 5-1451
Sara Byers	Operator	41 West White Lane	FA 3-1482
Pat Fabela	Extra Operator	7 19 1/2 Kentucky	FA 5-3991
Amanda Goff	Operator	1805 Flower	TE 1-0618
Juanita Hazelwood	"	303 Bernita	FA 4-6872
Susan Ethel Turner	"	40 Liggett	FA 2-6760
Jerry Smith	BELL Captain	223 18th ST	
Phil Martinez	Bell boy	409 Lloyd St	
Jack Pate	Bell/Boy	912 Jeffery St	
Harry Vanderhoff	Night Bellboy	908 1/2 K St	
Dallas Whitworth	Bell Boy	34 So Lofton	
Joaquin R Escalante	Night Watchman	Bakersfield Inn (Room 509)	
Margie Hatcher	Relief Cashier		
John Lemsoni	Chef	1527 Bernard St	
Linen Room	Baker	247 Bernard St	FA 5-6415
Roupan Babian	Cook	Room 22 Bakersfield Inn	
Elsie Weaver	Housekeeper	2715 Terry St	
Mary Machado	Ass't Housekeeper	Rte 7 Box 124	
Marcella Aguilar	Maid	1302 Knott Drive	FA 5-1373
Lillian Boon	"	614 Sterling Ave	EM 6-6194
Dolores Castaneda	"	1217 Smith St	FA 5-3586
Mary Craft	"	118 Mears Dr.	FA 7-0302
Lillie Dunham	"	235 Hayslett St	FA 2-5249
Carmen Duran	"	300 Lloyd St	FA 3-8669
Mary Enriquez	"	2203 Miller	FA 5-6311
Hazel George	Dishwasher	109 9th ST	FA 3-1490
Martha Isaman	"	300 Louis Ave	FA 5-1911
Mary Johnson	"	112 Mears Dr.	
Ruby Kimble	"	309 Sperry St	FA 3-5854
Iva Mc Elroy	"	Rte 7 Box 282	FA 2-6083
Virginia Madden	Hotwasher	805 Calif. Ave	FA 4-2529
Mae Mincher	"	3217 Edison Hwy	
Rachel Muna	"	614 Sterling Rd	EM 6-8504
Elsie Norton	Night Porter	Rte 5 Box 377	
Myrtle Norton	"	3204 Pioneer	
Mattie Smith	"	1004 Monterey	
Lucille Stansbury	"	2326 So J St	FA 4-3262
Ione Taylor	"	1237 K St	
Doris Vaughn	"	322 18th S	FA 3-6834
Able Cordova	Houseman	630 8th S	
Fidel Lucaro	"	1015 Tulare St	
Charles Kimble	"	309 Sperry St	FA 3-5854
Alvin Lemmer	Gardner	232 Prince	
Richard Machado	"	Rte 7 Box 124	
Senmatau Tatsuma	"	1003 6th ST	
Espanola Hailey	Night Porter	1010 Adelante Circle	FA 5-2359
Robert Nutt	"	1010 9th St	FA 2-0490
Joanna Nutt	"	801 P St	
Pearl Laws	"	1618 E 11th St	
Ella Daniels	"	1250 potomac	

18

34

Rodessa Sanders
 Audrey Adams
 Weaver William
 Billy Adams
 Myles Parham
 Fred Olsen
 Meredith Hendricks
 Meredith Meredith

Night Porter
 Painter
 Carpenter
 Chief Engineer
 Engineer
 " "
 Lifeguard
 " "

1902 Filson St
 145 T St
 2715 Terry St
 200 No Real Rd
 1529 Bernard
 2606 Victoria Dr
 1816 Lake St

Fa 2-8901
 F 4-6112
 FA 3-9970
 Fa 5-4738

Beverage

Andy Mc Donald
 Earl Garriott (Bill)
 Joe Gilio
 Elliot Mahel
 Julio Reyes
 Irene Bunch
 Betty Davis
 Florence Dillow
 Edna Hinrichsen
 Simon Ontineros
 Vernita De Boss (Nita)

Bar Manager
 Bartender
 Bartender
 Bartender
 Bartender
 Bar Waitress
 " "
 " "
 " "
 Bar Porter

Room 300 Bakersfield Inn
 312 Waycross St
 2715 Spruce St
 505 Castro Lane
 2321 Wildhire
 2825 Hawthorne
 2329 Calif
 430 Knott St.
 2020 Kingston Ave
 1016 E Casa Loma Drive
 2830 Kale St

Kitchen

John Lemucchi
 John D Starr
 Roupan Babaiian
 John Bailey
 Joe Pesigan
 Charles Peck
 Paul Reyes
 Iva Bailey
 Lucy Cleveland
 Olive Matlock
 Evelyn Sabedra
 Gladys Shields
 Kathrine Crump
 Louise Dalaport
 Clara Fennell
 Florestina Nash
 Delia Villegas
 Cleo Hodge
 Lottie Renty
 Elizabeth Simms
 Richard Cordova jr
 Walter Crawford
 Emanuel Holt
 Norris Howard

Chef
 Baker
 Cook
 " "
 " "
 " "
 2214 No Cage St
 Pantry
 " "
 " "
 Banquet Waitress
 " "
 " "
 Dishwasher
 " "
 Banquet Busboy
 " "
 " "
 Banquet Porter
 " "
 " "
 Night Porter
 " "
 " "
 " "

1508 Adena
 1527 Bernard St
 247 Bernard St
 Room 422 Bakersfield Inn
 1728 Williams St
 2122 Q St.
 229 Western Drive
 229 Western Drive
 1733 Blanche
 1012 Union Ave
 621 Williams
 140 Bliss St
 2307 Eye St
 P O Box 533 Oildale
 1212 Crawford St
 1046 Ralston
 524 Wallace St
 2126 O St
 1106 Dolores St
 32 So Owens
 1040 Ralston
 2006 Potomac Ave
 1018 Clyde St
 901 11th St
 613 Melba Lane
 1110 Alta Vista Drive
 1118 So Tulare
 421 Cypress St.

F 5-6415
 Ex 9-5031

Fa 5-0340
 Fa 3-6381
 FA 3-5281
 FA 3-8146

Storerroom

Bruce Oland
 La Verne Twist

1111 Pershing St
 1318 Alta Vista Drive

Steak House

Oweetah Mc Knight	Hostess Cashier	1720 Palm St	
Ignacio Sisneros (Natcho)	Cook	1206 Heights	
Grace Biggs	Waitress	1821 Orange St	
Ruth Longmire	"	2009 Greenwood Drive	
Kathryn Mc Dougle	"	1124 Sandra Drive	
Susano Tadiar (Sunny)	Busboy	2521 L St	
Victor Songcuan	"	210 So Kincaid	
George P Dinign Room	"	1006 E 21st St.	
Charles Malin	Catering Mgr.	Room 420 Bakersfield Inn	
Myrtle Brown	Hostess	111 Garden Drive Inn	
Billie Crain	Cashier	729 Union Ave Inn	
Rebecca Dukellis	Cashier-Hostess	119 So Myrtle	FA 3-8450
Opal Sumner	Cashier	1101 'S' St.	P 5-6477
Lillie Mae Wall	Cashier	509 Bates	FA 4-1838
Ann Davis	Waitress	601 El Prado Inn	
Merle Dettra	"	2914 Dartmouth	
Vernita De Bose (Nita)	"	401 Larry	FA 3-1305
Evelyn Elliot	Managers Sec'y	2830 Kale St	
Evelny Gonzales	"	1508 Adena	
Winona Ginn (Nona)	"	1316 Beale Room 150 Bakersfield Inn	
Wilma Gardineer	"	Room 177 Bakersfield Inn	
Frances Hilyard	"	431 9th St.	
Pauline Hendrix	"	203 Roberts Lane	Ex 9-5031
Mildred Lewis	"	2727 Prospect	
Pearl Manning	"	205 So Real Rd.	
Catharine Moore	"	P O Box 485 Shafter	
Eva Phillips	"	1206 Maitlane Dr.	
Bernice Peck	"	1012 Union Ave	
Julia Stamolis	"	4614 Rendy Ave.	
Traude Young	"	429 Sperry	
Ruth Higgins	Banquet Waitress	1914 Sunshine	
Lou Pool	"	1422 Orange Dr.	
Jeanne Smith	"	1006 Altus St.	
Yvonne Van Sant	"	906 Bernard	
Joe Chavez	Banquet Busboy	2006 Potomac	
Richard Cordova	"	2006 Potomac	
Miranda Cosme	"	330 E 4th S.	
Conrad Cordova sr	Banquet Porter	1106 Lincoln	
Eddie Ave	Busboy		
Juan Bayaca	"	804 So Tulare	FA 5-0340
Ismael Dominquez	"	2611 1/2 'L' St	
Carl Imperial ("	2122 'Q' St	
Pete Lumie	"	2122 'Q' St	
Demetrio Perez	"	1110 Alta Vista Drive	FA 3-6381
Philip Ruiz	"	1118 So Tulare	FA 3-5281
Ruiz Salvador	Pool Busboy	421 Cypress St.	FA 3-8146
Cesario Yoro	"		

96

Write It --- Don't Say It!

Rudy Padilla
Frances Watkins

Busboy
Waitress

1919 Williams
431 (th ST

FA 5-9126

Petroleum Club

Date _____ 195

Reply Wanted _____

No Reply Necessary _____

Edward Harrah
Wilbert Jones
David Madden
George Perry

Bartender
Busboy
"
"

1802 Shamrock
822 Butte St.
805 Calif Ave.
1006 E 21st St.

OCCUPATION

SALARY PER MO.

Audit Office

A. Montagnon
Guy Parker
Jackie Pate
Harriet Hill
Viola Pearson
Oma Pottberg

Auditor
"
A/C Payable
Clerk
Cashier
Payroll Clerk

Auditor
Auditor
Auditor
Secretary
Secretary
Auditing
Auditing
Auditing
Housekeeper
Chef
Res. Mgr.

Room 525 Bakersfield Inn
Room 147 Bakersfield Inn
625 Del Mar Drive
231 Hayslett
2906 16th St
Room 146 Bakersfield Inn
2208 Bank

\$ 600.00
500.00
500.00
200.00
FA 3-8450
F 5-6477
FA 4-1838
250.00
325.00
FA 3-1305
450.00

Hofues Estates Office

Wanda Hanger
Larry Wells

Sec'y
Auditor

TOTAL BEFORE DEDUCTIONS 4275.00
~~2479/8444~~ Room 150 Bakersfield Inn
Room 177 Bakersfield Inn

111

Write It --- Don't Say It!

INTERCOMMUNICATING MEMO.

Date _____ 195

To _____

Reply Wanted _____

From _____

No Reply Necessary _____

NAME	OCCUPATION	SALARY PER MO.
Montagnon, A	Auditor	\$ 600.00
Parker, Guy	Auditor	500.00
Wella, Larry	Auditor	500.00
Hanger, Wanda	Secretary	200.00
Lind, Oma B	Secretary	275.00
Pearson, Viola	Auditing	250.00
Pottberg, Oma	Auditing	275.00
Hill, Harriet	Auditing	250.00
Weaver, Elsie	Housekeeper	325.00
Lemucchi, John	Chef	650.00
Cunin, George	Res. Mgr.	450.00
		<hr/>
	TOTAL BEFORE DEDUCTIONS	4275.00

BAKERFIELD INN.

May 1st. 1958.

Executive Office.

Mr. William E. Swiney.
Sill Bldg.
Bakersfield, California.

Dear Mr. Swiney:

This letter is intended to set out, at least summarily, the plan relative to the refurnishing, and certain so called Capitol Improvement of the Bakersfield Inn. This contemplated improvement was this morning, discussed with you and your client, Mrs. C. L. Tomerlin, by myself, Marvin Brown, Manager of the Bakersfield Inn, and my atty, Guy Ward.

I have tentatively arranged for a loan in the principal of \$250,000.00. for this purpose... This loan is to be, secured by a deed of trust subordinate to the Insurance Company's loan, in the approximate sum of \$1, 080,000.00. The \$250,000.00 loan will also be secured by chattle mortgage on certain items of furniture and fixtures previously in the INN, and on the new furniture to be purchased under the proceeds of this loan.

The plan is to completely re-furnish the approximately 210- motel Units located on the West side of Union Avenue. We believe this refurnishing will be accomplished with an expenditure of approximately \$150,000.00, plus the cost of improving public areas located West of Union Ave.. We estimate the refurnishing of the rooms will not exceed an expenditure of \$500.00 per room. We intend to completely re-do the rooms with wall to wall carpeting, new drapes, and in many instances, new large size beds will be installed. Combination Televisions, radios, and dresser sets are contemplated.

Experience has proven in operating a motel, especially in this area, competition requires refurnishing all units in this manner. There is no doubt but what this refurnishing of the units will result in substantial increase in gross income, and particularly to room rentals,... The refurnishing of the public area will of course reflect, we feel certain, in a substantial increase in the food and beverage department. We know from experience that that percentage of profits in the beverage department is far greater than any other operation. We intend to re-do the banquet rooms and cocktail lounges, and provide for more diversity in our food, banquet and dining accommodations. This increase income from our food department will also reflect in our beverage department.

The principle improvements are as follows.

Yours Truly.

Frank Hofues., Jr.

A Check up on the proposed plan to
refurnish the Bakersfield Inn.

The plan is to refurnish completely 210- rooms. A careful check several weeks ago gave me the total of 100- rooms that could be redone etc.....The price place on these rooms according to the Hofues resume is \$500.00. per room, if careful supervised this can be done for approximately \$300.00 per room, this means the salvaging of the present carpetsnamely two or three carpets for one etc... also the purchasing could be handled by the Hotel Management itself, (if they have the proper contacts and can supervise the buying, never should a Hotel man deligate their buying to some out-side parties, as L.A. is full of IO-% percenters and if you figure out your costs you will find that you are paying probably 25% over and above what you could secure if you handled this important job yourself. I would also get a close contract on the decorating of rooms or use your own painters.... How-ever the way Hotels usually do is have their own painters continually keep on decorating rooms day in and day out thru- the year, that way your house is always in first class condition. I will now take paragraph by paragraph and endeavor to analyze the projected improvements.

- A- Enlargement of the cock-tail room: This room had a complete overhaul job just a few months ago, and for the business you are doing the space is sufficient. All that is needed for the entrance to Union Ave. is LIGHTS.
- B- Redecorating the Palm Room. This room has been decorated, but a slight going over might be alright, as for instance the stage is a bad feature and dates the room back years, an new approach could be made on that with out much cost. restor balcony.
- C- Conversion of the Tomerlin Room into Luau type room, This I dont understand, unless they mean a South-Seas Room or something of that order, that idea is O.K. but not expensive.
- D- Complete Redecorating of the present Dining Room and Coffee Shop. The Dining Room had a complete over-haul and decorating job just a few months ago and is in splendid condition(probably a check on the carpet should be made) There are things that could be done to this room that would completely revolutionize same but wont go into that now. The Coffee-shop could be made more attractive.
- E- Redecorating Steak-house: and Carpeting: This room is in good condition but could be gone over in an not too expensive way, carpets replaced or salvaged and worked over, this job could be done and made to look good easily.
- F- Proper Conversion of the Tower on East Annex. Unit Seperate. This two decker room can be placed into good condition by a redecorating job of paint, water, and cleaning materials... It is at the present set-up as a complete unit. with clerks desk, key rack and other accessories. How-ever this unit never should be made seperate in operation as the cost would be considerable and the making of another coffee shop in this building would be very unwise as you would be going into very competative business with

(2)

Yourself and would necessitate considerable more help and store rooms and too many things to numerous to mention here. to my way this would be bad. I will add at the end of this resume my idea of easing the task of getting to this side of the Hi-way.

G- Entire painting of the all Units West of Union Ave.(Main Bldg) and replacing fixtures.

There are many rooms that does not need this how-ever the entire property should be gone over as above stated and worked on gradually.

H- Repainting where necessary, the exterior of all buildings on the West Side Union Ave.(Main Bldgs) and replacing Black-top etc etc. in connecting the units.

This should be done after careful inspection(Painting) Also Black-top should not be done piece meal, the entire surface seems to me to need this badly as the shorp rocks are coming thru in many places.

I- Misc- redecorating of East Annex and the swiming pool area.

This is a good idea but your own painter can do this sort of thing with-out too much out-lay of money. or expense. The Swiming poor should be peped up alright and the grass gone over.

At your request I can give you the exact improvements that should be done to the INN to bring it back to the High place it was once and can be again; They only mention things that can be delegated to minor employe's etc. but leave out the big things that should be done,namely: How to secure new business and bring back the old. The Terrible enterance problem, the crossing the street at Union to get to the East Annex, and many many other things too numerous to mention.
Lights, Signs,Landsaapeing, Flowers etc. etc.
Tieing up with other Hotels for business. and the lost Bakersfield business.

The interest and pay back of \$6,000.00. per month on the loan that is cantemplated for 60- months does not make sense; its as you say why not put the \$6,000.00. per month on the payment of improvements which would just about make it if handled properly.

F.N: The entire ground floor has been redectorate just a few months ago. Lobby etc.

LIONEL T. CAMPBELL
ATTORNEY AT LAW
SUITE 1220 BROADWAY ARCADE BUILDING
542 SOUTH BROADWAY
LOS ANGELES 13, CALIFORNIA
MADISON 9-2687

December 16, 1959

Guy E. Ward, Esq.
Ward & Heyler
120 El Camino Drive
Beverly Hills, California

Re: Hofues Estate - Bakersfield Inn - Nelson

Dear Mr. Ward:

Upon receipt of your letter of December 15, 1959 enclosing copy of Judge Brand's order dated December 14, 1959, I conferred with client Nelson by telephone.

Mr. Nelson read to me a written commitment to the Escrow Department of the Bank of America in Beverly Hills for approximately \$3,000,000.00 containing certain provisions regarding merchantable title and the execution of additional contracts when necessary which Mr. Nelson expects to be signed today or tomorrow. As read to me it is my opinion that the commitment if signed and delivered to Escrow would be sufficiently firm to satisfy you and Mr. Hofues and Judge Brand. I suggested, however, that as soon as the commitment is signed that I be furnished immediately with two copies thereof, one of which I will immediately forward to you so that the precise nature and terms may be analyzed and appraised. I called your office at about 4:50 P.M. today and relayed the foregoing information to your secretary, who advised that you did not intend to return to your office this evening and could not be reached by telephone until later in the evening and said she would ask you to call me at your convenience tomorrow.

In view of the above development I would very much appreciate your withholding any directions to Mr. Hofues to terminate the management agreement and/or to take or attempt to take possession of the Bakersfield Inn in compliance with the order until after the written commitment is received and you and I further confer relative to the same.

Yours very truly,



LIONEL T. CAMPBELL

LTC:DB.

bc: Mr. Walter H. Nelson,
Mr. Clayton V. Smith

LIONEL T. CAMPBELL
ATTORNEY AT LAW
SUITE 1220 BROADWAY ARCADE BUILDING
542 SOUTH BROADWAY
LOS ANGELES 13, CALIFORNIA
MADISON 9-2687

January 6, 1960

Ward & Heyler
Attorneys at Law
120 El Camino Drive
Beverly Hills, Calif.

Attn: Mr. Guy E. Ward

Re : Estate of Frank S. Hofues, Sr., Dec'd
Bakersfield Inn - Nelson - Smith Co.

Dear Mr. Ward:

In accordance with Mr. Heyler's request at the conclusion of the hearing in captioned matter in Department A of the Superior Court, Santa Monica, on December 30, 1959, you are advised that a check has been delivered by Mr. Nelson to Mr. Anderson of the Alcoholic Beverage Control in connection with renewal of the liquor license at the Bakersfield Inn. Mr. Nelson further advised me by letter dated January 2, 1960, received by me on January 4, 1960, that the bankers in New York had called Bakersfield on January 2, 1960, confirming deposit of \$3,000,000.00 with the Bank of America New York office either Monday or Tuesday of this week. As soon as this fact has been further confirmed I will telephone you.

Yours very truly,

LIONEL T. CAMPBELL

LTC:LD

GUY E. WARD,
DAVID B. HEYLER, JR.,
CHARLES A. DRUTEN

LAW OFFICES
WARD & HEYLER
120 EL CAMINO DRIVE
BEVERLY HILLS, CALIFORNIA

BRADSHAW 2-8256
CRESTVIEW 4-5101

December 16, 1959

Lionel T. Campbell, Esq.
542 South Broadway, Suite 1220
Los Angeles 13, California

Re: Hofues Estate - Bakersfield Inn - Nelson

Dear Mr. Campbell:

Enclosed herewith is Notice of Hearing set for December 30, 1959, at 9:00 a.m., in Department A of the Santa Monica Branch of the Superior Court, in connection with the above matter. A copy of the petition referred to therein is also enclosed.

A copy of this letter, together with a copy of said petition is being mailed today to Mr. Nelson, care of the Bakersfield Inn.

Yours very truly,

Barbara Tuero
Secretary to Guy E. Ward

bt

Enclosures

cc: Mr. Walter H. Nelson ✓

GUY E. WARD
DAVID B. HEYLER, JR.
CHARLES A. DRUTEN

LAW OFFICES
WARD & HEYLER
9460 Wilshire Blvd., 8th Floor
~~XXXXXXXXXXXX~~
BEVERLY HILLS, CALIFORNIA

BRADSHAW ~~XXXXX~~ 24404
CRESTVIEW ~~XXXXX~~ 40111

January 20, 1960

Mr. Walter H. Nelson
c/o Bakersfield Inn
P. O. Box 526
Bakersfield, California

Re: Hofues v. Nelson

Dear Mr. Nelson:

This letter is intended to notify you that you have not filed any pleading to the complaint served on you on July 29, 1959, in the above matter.

Yours very truly,



GUY E. WARD

GEW:bt

cc: Lionel T. Campbell, Esq.
Kenneth D. Holland, Esq.

EL T. CAMPBELL
ATTORNEY AT LAW
BROADWAY ARCADE BUILDING
22 SOUTH BROADWAY
ANGELES 13, CALIFORNIA

When pay off is made it is all paid off. ~~XXXXXXXX~~ All set for next Thursday. In meantime we expect to get the funds to Ward before Thursday.

210
Cr. 10603

MR. CLAY
c/o Bakersfield Inn
P. O. Box 526
Bakersfield, California

RECEIVED
RECEIVERS MUST TELEPHONE
THEIR ADDRESS
DURING JANUARY



Fitzpatrick said they
would have to have
some one. Preferable ~~was~~
Bob Nerb to cover us.
if this goes to court
& we could ask for a
continuance - to familiarize
Nerb about the case

last letter requests ^{Hearing}
consideration for ^{Continuance}
hearing on petition for
special instructions
referred to in the earlier
letter & over phone to
allow for additional
work

Better call Fitzpatrick
tonight.

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM <input checked="" type="checkbox"/>	ORDINARY
DAY LETTER <input checked="" type="checkbox"/>	URGENT RATE
SERIAL	DEFERRED
NIGHT LETTER	NIGHT LETTER

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

WESTERN UNION

1213

CHECK
ACCOUNTING INFORMATION
TIME FILED

JOSEPH L. EGAN
PRESIDENT

Send the following telegram, subject to the terms on back hereof, which are hereby agreed to

To Jerry Gessler Esq. Oct 1 1959
 Street and No. 9200 Wilshire Blvd (Rm 5-434)
 Place Beverly Hills, Calif.

Make request to Court for
 post payment hearing to
 familiarize New Man with
 facts. I will contact you later
 of day. Bad storm has delayed
 my AM. meeting - Regards
 Walter H. Nelson

Sender's address
for reference

Phoned 1115 P.M.

Sender's telephone
number

Hotel  dalphus
DALLAS 21, TEXAS

Written at
171 West 71st St
New York 23, N.Y
1:20 PM.

Leo F. Corrigan, President

H. H. Anderson, Managing Director

Oct. 1, 1959.

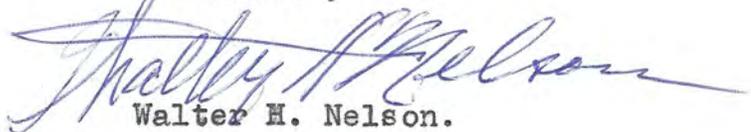
Dear Clayton:

It has been one stormy day here so far and my older associates will not be available until around 4:00 PM. Just wired Fitzpatrick as per enclosed telegram will phone her after 4:00 meeting.

The big hurricane from off the coast has side swipped us--it is as dark as night at midday.

I having this mailed now will write or phone this evening.

Good luck ,


Walter H. Nelson.

WHN:ae

LIONEL T. CAMPBELL
ATTORNEY AT LAW
SUITE 1220 BROADWAY ARCADE BUILDING
542 SOUTH BROADWAY
LOS ANGELES 13, CALIFORNIA
MADISON 9-2687

January 21, 1960

Mr. Walter H. Nelson
Sheraton-West Hotel
2961 Wilshire Blvd..
Los Angeles, California

Re: Estate of Frank S. Hofeus, Sr., Deceased
Bakersfield Inn - Nelson - Smith Co.

Dear Walter:

This will confirm that I appeared for you in Department A of the Superior Court, Santa Monica, on this date at 9:30 A.M. before Judge Lynch, presenting to him the letter of Mr. A. Schoncote, which Judge Bush delivered to me a few minutes before the hearing, and upon my representation to the judge as an attorney that within one week all of the funds or a substantial portion thereof would be paid over either to Mr. Ward as trustee or to the escrow, and that the recent delay was due solely to your illness and the illness of your associates and persons who were negotiating and processing the funds; the Court did continue the hearing of the petition to set aside the Decree of Confirmation of the sale of the Bakersfield Inn to one week or until Thursday, January 28, 1960 at 9:00 o'clock A.M. in Department A of the Superior Court in Santa Monica.

Mr. Ward told the Court that this would absolutely be the last continuance in which he would concur and that if funds were not paid over by the date of the next hearing he would oppose any further continuances. I assured the Court on the basis of talking to you a few minutes before the hearing that it would only be a matter of a few days before the funds would be available and that I was as certain as I could be under the circumstances that this was indeed the time when performance would be made.

Mr. Walter H. Nelson
January 21, 1960
Page 2

I must reiterate and stress to you as strongly as I did on the phone that in my best humble and professional opinion that this appears to be the last and final continuance that will be granted in this matter, and in order to prevent the Court setting aside the sale, it will be imperative that funds be paid over to Ward or to the escrow, whichever method is selected. Your health permitting, I would suggest that this matter now be handled as if the deadline was fixed for Monday, January 25, 1960, so that once the funds are available, we will not be under any compelling pressure, insofar as attempting to effect a transfer of the funds in such a way as to avoid to the greatest extent possible, the complications of any attaching creditors.

While I have depositions and Court appearances and other deadlines during the coming week, I will be available to you at any time that the need arises and I will meantime await progress reports from you.

I trust and pray that your health will improve rapidly and we will be able to give the Court a most favorable report by next Thursday.

Sincerely yours,

LIONEL T. CAMPBELL

LTC:se

cc: Clayton V. Smith
c/o Bakersfield Inn
P. O. Box 526

Dear Mrs. Hard -

Halter told me to tell
you he would call you the
moment the check was to be released
and that would be very soon

Yours truly

Clayton D. Smith

He will call
you

BAKERSFIELD

Inn



THE WORLD'S LARGEST HIGHWAY HOTEL

BAKERSFIELD, CALIFORNIA

COPY LETTER.

November 1st, 1961.

Cantwell, Loomis and Murphy,
Attys and Counsellors of Law,
15- East First St.
Reno, Nevada.

Mr. Clayton V. Smith.
The Bakersfield INN.
Bakersfield.

Dear Clayton :-

Thank you for your letter of the 30th. concerning the purchase of the Thunderbird Hotel. We would be very interested in assisting you.....

This past September we came thru- Bakersfield for the first time in Twenty five years and I inquired at the Bksfld Inn of your where-about.. They told me you had left the Hotel and was living next door... I inquired at the Motel next door and they did not have any information about you.. I am sorry we missed you...

I hope that you will visit Reno soon... My best wishes to you and your good wife.

Sincerely,

Bud-
BUD.

E. Frandsen Loomis.

Original to MAN

REVIEWING THE COMPARATIVE STATEMENT.

Ending June 30th. 1958. 6-Months.

The first six months in 1958 shows an average room occupancy of a flat 57% occupancy...6-months ending June 30th.1958.

Also on the whole rooms, food, and beverage shows a decline of \$156,982.00 for the same 6-months in Dollars. The net loss however, shows a \$56,686.45.....This may be correct I presume it is, however if this loss was carried over on the next six months it might well run into over \$300,000.00. decline.

In this period there were 9320- VACANT ROOMS.... According to Horwath & Horwath, National Hotel Auditing Firm, the basis must be at least 75% occupancy before an average Hotel shows a profit.....A 57% occupancy is way out of line.

The INN has been declining for several years according to the reports, but this year 1958 is beginning to show a very dangerous situation....

The rates are not to my mind correct, they are too low on the average, but could be raised gently, and with well trained clerks who are room salesmen this could be accomplished..... There is not a Motel or Inn of the more modest service that does not have tariff then this great Motor Inn.
(Higher)

The telephone department shows a loss for the first 6-months of 1958 operation \$9,117.33.... There has to be a waste and no supervising of telephone calls to make this loss possible.

Repairs for three months in 1958 dropped from 1957- \$22,191.68 to \$14,273.61....This might be up keep slipping.

Food department shows a profit of 6.3% with the volume they have this does not look right.

The beverage department drop denotes either the pourage is wrong or various other things might happen.

These are just a few things that seem out of line.... This Hotel is actually loosing over \$300,000.00. per year as shown by the books..... In my mind there are many things that could be corrected too numerous to mention in this short review.

II/22/58.

-SUGGESTION OFFERED

You Mr. Giesler have offered \$300,000.00. cash for Mr. Frank Hofues equity in the Bakersfield INN, so if its true he has to come up with \$150,000.00. to pay the Judgement declared by the court to Frank Hofues common law wife etc. It might be this judgement be assigned to us as one way of negotiation, there is also \$100,000.00. worth of bills still unpaid that was left this way when Frank Hofues passed on. These are purveyors accts. and there is movement now on these bills to start action some how.....

As Mr. Walter Nelson gave you authority to go to \$500,000.00. if we can negotiate as you mentioned at our conference recently below this it would be smart so to do, Mr. Swiney thinks it might be done, how-ever, this is up to you to figure out the best path to follow.....

At the present time Mr. Ward is endeavoring to get a loan of \$250,000.00. a third mortgage as I see it.... This proposed loan is from a Company in New York, the National Theatrical Supply Co.... This is all being used by Mr. Ward. Mr. Swiney does not go along with Mr. Ward on the above.

Mr. Swiney can give you a great deal more ideas as to things you can work on in negotiations.

In closing I wish to state that the operation at the present time Bakersfield Inn does not have any tie in with friendly hotels or any other type of business getting deals with Rail-roads, aviation, Travel Agents and other sources of direction of business, to the best of my knowledge.

signed Clayton V. Smith.

P.S..... The names contained here-with are just a few people that have expressed regret and deep concern relative to the INN'S Depreciation and Deterioration and to brief you relative to conditions. The City of Bakersfield recognizes this and that is why business has declined.... The Hotel industry discusses freely this situation all through out the State.

CONFIDENTIAL

TO: Jerry Giesler & William Swiney.

Relative to operation and up-keep complaints of various people in Bakersfield who have been critical of the Bakersfield Inn.

The Inn has from its early beginning and construction been considered an Institution with all of the Bakersfield people, and they have taken great pride in patronizing this Inn, so that during the Tomerlin's owner-ship and operation the Inn became Nationally known.....

How-ever thru- the passing of the Inn to various own-erships and operators this prestige has diminished greatly, as now the Inn does not have this great pulling power and consequently the up keep also has not been in tune with the trend of the times.

Here-with follows a few names of prominent Bakersfield people that have expressed their feelings re-latively to the INN.

George Haberfelde. Top man in Bksfld. Ford Agy. Capitalist.
Will Haberfelde. Manager of the Haberfelde Companies.
Frank Jeppi. Capitalist. Oil & Cotton.
Walter Kane. Owner The California Newspaper.
Laurence Weill. Owner Weill's Dept Store & Capitalist.
Dr. Carl Moore. Leading Physican and Surgeon
George C. Lum. Owner Largest Produce Co.
James Dale. Vice President and Co-Owner Supply Co.
Willard Gold. Owner Quality Meat Co.
Malcolm Brock. President & Owner Brock's Leading Dept Store.
Albert Lum. Leading Chinese Merchant.
John Loustlete. Post Master & important party.
James THRASHER. One of the leading Automobile Agencys.
A.D. Peckham. Leading Painting Contractor.
John Brock. Managing Director Brock's.
William Camp. Capitalist and leading Cotten grower.
Cecil Jones. President & Owner Gundlach Co.
Henry Brandt. Capitalist and Reel-estate & Oil.
William Grafeman. Claims Adjuster. Fireman's Fund.
Carl Bergman. Retired.) T.V & Packing House etc.
Jack O'Niel....Fresno. Chairman and Owner Producers Cotten SOIL Co.
Fred Twining. " Owner Twining Laboratory. Well Known.
Helen Twaddel. Head women at Brock's.
Willam E. White. " Banker and Leading Fresno Business Man.
Edward Nepple. Bksfld Oil operator.
George Popovitch. City Editor Fresno Bee Newspaper.
Cal Antrim., Fresno Leading Realtor.
C. W. Kidder. Bksfld Neon Sign Co. President.
Carl Wente., Chairman of the Officers Bank of America. San Francisco.
Alexander P. Gatti., Manager Blyth & Co., Fresno Office.
Loren White. Bakersfield Manager of The Atchison-Topeka & S. Fe. Freight Department.
Hal. Thomas. Owner of the Cigar and Liquor concession El Tejon Hotel.

over.

BRADLEY, WAGY, BUNKER & HISLOP

ATTORNEYS AT LAW
405 CHESTER AVENUE
BAKERSFIELD, CALIFORNIA

TELEPHONE
FAIRVIEW 5-7296

JACK W. BRADLEY
PHILIP M. WAGY
BRUCE F. BUNKER
JACK B. HISLOP

September 14, 1959

Alcoholic Beverage Control
State of California
345 Chester Ave.
Bakersfield, Calif.

Att: Mr. Anderson

Gentlemen:

Re: Walter Nelson--License in Bakersfield

Received information today that as yet the final financing of the Bakersfield Inn transaction has not been decided. Apparently there are two different methods of financing still under consideration.

I have been informed that the decision as to which method of financing will be used will be reached within ten days to two weeks.

I would therefore appreciate it if you could again give us further time within which to supply you with the information you need.

Yours very truly,

BRADLEY, WAGY, BUNKER & HISLOP

Jack B. Hislop

JBH:lmg

cc: Clayton Smith

BRADLEY, WAGY, BUNKER & HISLOP

ATTORNEYS AT LAW
405 CHESTER AVENUE
BAKERSFIELD, CALIFORNIA

TELEPHONE
FAIRVIEW 5-7296

JACK W. BRADLEY
PHILIP M. WAGY
BRUCE F. BUNKER
JACK B. HISLOP

September 10, 1959

5-7296

Mr. Walter H. Nelson
171 West 71st Street
New York 23, New York

Dear Mr. Nelson:

As you know, several weeks ago in a telephone conversation I advised you that Mr. Anderson of the Alcoholic Beverage Control advised me that your application had been pending for so long that he would have to deny it unless he received the information he needs.

Perhaps, the form he supplied you entitled "ownership statement" could be prepared even though the escrow will not close immediately.

In any event, I felt that I should send you this letter to remind you that said document has not been returned to Mr. Anderson.

Yours very truly,

BRADLEY, WAGY, BUNKER & HISLOP

Jack B. Hislop

JBH:j

cc Mr. Clayton V. Smith
1676 Chester Avenue
Bakersfield, California

*Mitchel Conrad
& Balma
-*

*5-
Pending
Payments
Dallas*

C

O

P

Y

Walter

Clayton V. Smith.

10/18/59.

Dear Walter:-

I have been thinking since last talking to you relative about next Fridays decisions etc. and also having talked with Bill Swiney, and as you know and also being told by Bill that this set up here could be tied up for a great length of time if the occasion should arise. And if it did arise I know you have given it tho't and also Lionel should review this very carefully.

If this Judge did not agree, I recall that there was a legal way of removing the case to another Court, Swiney gave us this information..... Also bring in an injunction..... To give you more time on your escrow under way..... Show also the large amount of money put into the deal and the money spent on the property to make it habitable, namely water heaters all leaking, water pipes in one section of 22-rooms the entire water system had to be replaced after leaks had damaged these rooms..... Also number 3- Water pump had gone out sanded up and using City water at a \$150.00. per month repaired this damage..... Also many motors out of order and had to be rewired and repaired.... Also had to immediately buy linen over \$2,000.00. and also Dishes, glassware, and silverware. All in all there had to be money poured into the INN to make it even able to take care of the public in a small way. The shrubbery and landscapping gone wild and had to be put in order cutting hedges, and skinning the palms in just a ned-esaary way Many other important things too numerous to men- tion..... There was another legal phrase Swiney used in emergency someth- ing like (~~habitable~~ or words to that effect) or(habulation).

We are of course praying you will be fully prepaired Friday and we can get this place rolling..... So much in the off- ing, have book more conventions..... Also by the way does the pay-roll Hofues get a cut back or off now the \$25,000. was paid.

I will endeavor to see Bill Swiney and add more to this letter...I presume Lionel is keeping in touch with Miss. Fitzpatrick getting advice and instructions from Jerry. This is all for now.....

Also how the Hofues crowd did every thing in the book to make us and make it all so darned tough to operate.
Hudson

Giesler Hollywood's Top Legal Gladiator

By JULIAN HARTT

Hollywood has lost its greatest legal gladiator with the death of Jerry Giesler.

The lance and the mace he wielded so effectively in the courtroom for more than three decades in his 50 years of practice time and again dispelled those most terrible of filmland's specters — shame, scandal and prison bars.

Those who found both an emotional haven and a courtroom champion in Giesler in the direst hours were legion.

They had included Alexander Pantages, Charles Chaplin, Errol Flynn, Busby Berkeley, Robert Mitchum, Walter Wanger, Mickey Cohen and Marilyn Monroe, to name but a few.

He last monopolized the headlines in April, 1958, when he was retained by Lana Turner after her daughter, Cheryl Crane, had fatally stabbed Lana's underworld lover, Johnny Stompanato.

More recently, he helped plan the defense of Carole Tregoff, charged with aiding Dr. R. Bernard Finch, her lover, in the slaying of the doctor's wife. He was too ill, however, to appear in court and did not associate himself with two subsequent retrials.

But this is only one facet of a career which Giesler began auspiciously as a youth, successfully defending the great Clarence Darrow in 1910, then built through half a century to unquestioned position as dean of all criminal lawyers in the United States.

It was accomplished by sheer brilliance of preparation and drama of presentation before the jury, with never in all those years a whisper of trickery or chicanery from even his most bitter adversaries.

And that innate, that intrinsic, quality of honesty, combined with his unswerving dignity and decorum in even the most bizarre of circumstances, provide the image of Jerry Giesler which undoubtedly will be carried by all who knew him—judges, fellow attorneys, defendants, newsmen, trial-followers.

The only ones who will not mourn his passing at the age of 75 will be those witnesses who sought to deceive him, who failed to realize the keen mind ever-lurking behind his guileless blue eyes until he had led them to discredit themselves from their own lips.

Clothes Maybe Too Dapper

These were not facts one could glean from first-encounter inspection of Jerry Giesler, always the least likely in appearance or demeanor to portray himself on the screen, were his life ever filmed.

At first sight and sound of this lawyer, who fought such famous cases as those involving millionaire theater man Alexander Pantages and airport executive Paul Wright, in the "white flame" killing of his wife and his best friend, one was inclined perhaps to smile.

Here, one felt, was a successful but perhaps slightly too-dapper small town businessman, mortician or minister, possibly with a penchant for leading the song period at the local service club meeting.

Mr. Giesler always moved swiftly and purposefully into any room, on feet usually shod in two-toned shoes, frequently including suede in the pattern. His portly figure was securely buttoned into a double-breasted suit, in which his taste ran to pin-stripes. His shirts were plain colored, his ties conservative but colorful. And when he swept off his snap-brimmed hat, he did it with the backward motion of a man who was conscious of his hair grooming.

Unfortunately, Mr. Giesler had not much of that left in his later years, for he admitted his hair was one of his prides in his younger days; and there was more than a bit of suspicion in courtroom circles that Mr. Giesler was not averse to rinsing some of the original reddish-brown back into it, from time to time.

When Mr. Giesler first spoke, there were no stentorian tones. Rather, his voice was thin, high-pitched and seemingly always on the verge of cracking, which it never quite did.

And in the long hours of argument, of summation, he relied on dramatized logic, fashioned of flawless performances and flawless English, rather than sheer volume — although he had broken bones in both hands as he beat his fists upon jury rail or counsel table for emphasis.

Under the impact of his talent, his meticulous adherence to courtroom dignity, with no witness ever heckled or badgered by sarcasm no matter how great the temptation, the observer's inclination to smile — except in friendliness — melted swiftly.

Name 2 Ways in Phone Book

Added to those qualities, which drew fellow lawyers to his trials to watch and learn, Mr. Giesler counted his telephone priceless.

Where others might seek peace behind an unlisted number, Mr. Giesler's home and office listings were in the telephone book, both as "Giesler" and as "Geisler" for those who might spell it wrong.

When a big trial was in the making, or in the courts, his

operators had explicit instructions to put every caller, identified or anonymous, through to him personally, without questions.

This, then, was the man who was born in the small community of Wilton Junction, Iowa, and who probably would have spent his life in that area were it not for unexpected factors.

After leaving Wilton Junction, founded by a group including his Pennsylvania Dutch grandfather, young Jerry spent his boyhood in Muscatine, where his father was a banker.

His well-to-do family sent him to Morgan Park Academy in Chicago. He planned to go on to college there or in Iowa, but a doctor advised against immediate enrollment because of eye troubles.

With boundless energy and time on his hands, the youth decided to spend his enforced winter vacation with a boyhood friend who had moved to California.

Young Jerry "rested his eyes" that winter by driving a horse-drawn lumber wagon for \$2 a day, from 4 a.m. to dark, through the small but already stirring city of Los Angeles. As long as 50 years after, his eyes found pleasure each time he drove from his Beverly Hills office to the Hall of Justice courts, past the old Bunker Hill area, where the window frames of an ancient house were the same ones he had delivered.

Mr. Giesler returned to Iowa and entered the university, but, like countless others, California tugged at his mind to return. He soon transferred to the University of Southern California.

An Office Boy for Earl Rogers

To help pay his way, he set up a collection agency, and one day a bill came in which he elected to handle in person. It was a dun on Earl Rogers, the outstanding criminal lawyer of the West.

Mr. Giesler remarked many times in later years that he "never yet collected that bill," but he got what he wanted — a job as office boy for Rogers, and the start of an association which was to give Mr. Giesler an education no laws books ever contained.

He had his law degree, but was little more than a brief-case-carrier in 1910 when the noted attorney Clarence Darrow was charged with attempting to bribe a juror in the Los Angeles Times bombing trial of the McNamara brothers.

Earl Rogers was selected by Darrow for his defense. In mid-trial, Rogers sent Mr. Giesler to look up a point in question. But Rogers and the impressive

Jerry Giesler

Dead at 75

● *Story of Jerry Giesler's colorful career, P. 5.*

Famed Hollywood attorney Jerry Giesler, 75, died in his sleep Monday at his home in Beverly Hills.

Death claimed the master defender of the Hollywood great at about 4 a.m. He had been suffering from a serious heart condition for several years.

Giesler, victim of five heart attacks in the past year, was stricken with a coronary seizure Oct. 14 and taken to Mt. Sinai Hospital. He had been released from the hospital Nov. 19 to recuperate at home.

The attorney, according to his son, Michael, 24, had been "very low for the past couple of days" and under constant care of his physician.

Giesler, whose acting ability in the courtroom often surpassed the talent of the professional actors he represented, was retained by the famous and the infamous.

His clients included Charlie



JERRY GIESLER
A Hollywood legend.

Chaplin, Alexander Pantages, Errol Flynn, Lana Turner, Marilyn Monroe, Robert Mitchum and Walter Wanger. They also included such underworld characters as Bugsy Siegel and Mickey Cohen.

Giesler: Up From Office Boy

From Page 5

client were amazed when he returned with 40 pages of thorough research. Mr. Giesler was boosted to associate counsel, made an attorney of record, and pleaded successfully in Darrow's behalf.

"I felt," Mr. Giesler recalled later, "like a New York Yankee bat boy being told he was going to pitch in the World Series!"

With Darrow's acquittal, Mr. Giesler's name was added to that of Rogers on the office floor. But nearly two decades of broadening, seasoning in the catch-as-catch-can field of high powered criminal law remained ahead before Hollywood clasped Mr. Giesler into its arms as its chosen advocate, whenever passion or peradventure forced its favorites into court.

There was the grimly-remembered Jess Willard case.

The fighter was on trial for manslaughter after a ring opponent, Bull Young, suffered fatal injuries. Right up to the final moment, Mr. Giesler was led to believe Rogers would make the closing address to the jury. Then, suddenly, Rogers announced:

"Mr. Giesler will address the jury!"

Without an iota of preparation, Mr. Giesler got to his feet as Rogers stalked from the courtroom, leaving him in the make-or-break situation. Mr. Giesler began talking. He talked for three hours. And the verdict was "not guilty."

He ultimately was to represent more than 100 persons accused of capital crime. Not one went to the gas chamber; only one received life.

From courtroom adventures such as this, Mr. Giesler was ready when the second major turning point of his life—he rated it with the Darrow case—came. That was the Alexander Pantages case, which opened the doors of his office to Hollywood and the long line of "names" who marched through, fear in their hearts and checkbooks in their hands.

Pantages already was behind bars when he hired Mr. Giesler in 1931, convicted of raping 17-year-old Eunice Pringle in his Hollywood office, by a jury so angered it recommended the maximum sentence.

The attorney had two problems: Find a flaw in the transcript to obtain a new trial, then find means to win it.

Mr. Giesler solved the first when he discovered the prosecution, in its closing argument, referred to the girl's prior chastity. He argued to the Court of Appeals this never was mentioned in testimony, hence the defense had no opportunity to cross-examine. The new trial was granted.

Once it started, Mr. Giesler recognized a factor which might have been of potent influence on the jury. Miss

Pringle, he recalled, "came to court in pigtailed, dressed like a schoolgirl."

He demanded the jury be allowed to see her as she was on the night of the alleged attack, in an excitingly cut evening gown with face tanned and hair-do to match. It was granted. Pantages was acquitted.

It was only natural, then, that Hollywood turned to Mr. Giesler in 1935 after Dance Director Busby Berkeley's car crossed the Coast Highway centerline near Santa Monica, collided head-on with another, leaving three persons dead.

The state contended Berkeley was drunk. Mr. Giesler countered that with testimony of prominent stars, such as Pat O'Brien, that Berkeley was sober when he left a cocktail party shortly before the accident.

His sole bit of tangible evidence, however, was a blown-out tire from Berkeley's auto. Mr. Giesler went to work on that. He had aerial photos made of Berkeley's entire route, the first such aials ever introduced in Southern California courts. He had Berkeley's studio make a model of the whole accident scene, even to miniature utility poles and autos, everything to "act it out" in court.

Then he called in tire experts, to explain and demonstrate with models exactly what happens when a tire blows. It took three trials to do it, but Berkeley was acquitted—and the toy cars remained to the end on Mr. Giesler's desk in his white office building.

In a drawer was another souvenir, an intimate garment once worn by Lili St. Cyr, the stripper who took her bathtub routine from burlesque houses to the Sunset Strip and Las Vegas.

Mr. Giesler freed her of an indecent show charge by taking Lili's big bath towel before a jury and performing her routine with it—not burlesquing it, but playing it with somber, straight-faced dignity to show that, even with his portly figure, it was ample covering.

There was no memento of the Paul Wright case. Its impact on trial history, and the "White Flame Murders" title he gave it, were mementoes enough.

Wright, a popular airport executive, shot and killed his wife and his supposed "best friend" when he found them in allegedly unnatural embrace.

Mr. Giesler bore down on Wright to tell the scene again and again, until Wright responded that "a white flame of anger" burst upon him at the unexpected sight.

Then Mr. Giesler practiced at home, over and over, falling from his piano bench to find how to bridge Wright account with what police photos of the bodies disclosed, just what ignited the "white flame."

Never losing his innate dignity a moment, he did in court, continuing his argument as he lay on the floor in the position of the friend's body. The jury found Wright guilty of manslaughter but insane at t

the finding that Wright was then sane, and he was freed.

Mr. Giesler's stature was growing in many ways through all these years, making him a repository of many public and professional trusts.

These included chairmanship of the California State Athletic Commission and the California Horse Racing Board, and presidency of the Los Angeles Lawyers Club and the Beverly Hills Bar Association, and the governorship of the California Bar Association.

The period also brought wealth of family and money—two daughters, a son and a grandchild, and an income guessed at \$150,000 a year but which he only said "was a living."

But the cases that brought him the greatest note, those that spread nationwide the knowledge of his homely courtroom habits, the horn-rimmed glasses dangling from one bow from pursed lips, came in the later years. These were the Errol Flynn and Charlie Chaplin cases.

It was a frightened young Flynn and a frightened old Chaplin who came, in turn, to Mr. Giesler with their women troubles, facing criminal charges which could have sent them to prison.

The swashbuckler Flynn found the public only too eager to believe the state's charges he had attacked teenage Peggy LaRue Satterlee on his yacht off Catalina, and another girl at a houseparty. Utterly despairing, Flynn privately asked reporters to see that he "got a bit of wine now and then" if he went to jail, but Mr. Giesler never considered conviction.

His ears were soaking up the state's case, and alert for the ring of his phone that would mean a break—and both paid off.

When Peggy told how Flynn lured her to his cabin to see the moon through a porthole, Giesler called in an eminent astronomer to prove it was not visible at that time and place.

He hammered vainly, however, to find a legal gambit

to throw Peggy's former life open to examination. Then came the phone call. And his single question, destroying the courtroom illusion of total innocence, when he asked in his thin, apologetic voice if a witness remembered the night he and Peggy had sport pulling the sheets off corpses in a mortuary.

The switch in the atmosphere was electric. A few days later, Flynn was "a free man . . ."

Both Flynn and Chaplin learned one hard lesson about being a client of Mr. Giesler's. He demanded absolute obedience to his instructions.

Chaplin was only too willing to agree. Charged with violating the Federal Mann Act by allegedly transporting red-headed Joan Berry to New York for immoral purposes, Chaplin was so unpopular at the outset women in the corridors hissed when he arrived at the Federal court.

In a long, methodical defense, Mr. Giesler brought out deliberately the unsavory picture of the aging Chaplin's relations with the girl before the New York trip. He raised the question of why Chaplin should pay \$1000 "to take her to New York" when she would have come to his Hollywood home for taxi fare.

The acquittal was not so much of a surprise as the change Mr. Giesler wrought in public opinion. Crowds jamming the court and corridors burst into cheers at the verdict that freed Chaplin, later to leave and excoriate the United States where he had earned his vast fortune.

NOW
"Check-A-Month"
at
Los Angeles Federal Savings!



HOLLYWOOD ROOSEVELT HOTEL

HOLLYWOOD 28, CALIFORNIA

Sunday

Dear Guy:

Will you sign
these statements and mail
them to A. E. Nelson
171 W. 71st St.
New York 23, N.Y.

(air mail
right away)

Regards

J. H. N.

Mailed
stamps
&
checked
Semi-
mailed

1. W/S Contract on Front Page

2. Feb. Contract Hotel Tel Corp

3. Schedule. Loan Rate Payments 11620

4. FRANK HOFUES versus Walter Nelson AND Dis-

5. MANAGEMENT Contract

Court-

-MISSAL

6. Responsible agreement to Hofues. Termination

7. management agreement
Authorization to allow monies to payment of Arerow
to Ward as Betty + Trustee

8. Petroleum Lease 1958 - Nov 14 - 1961 ①

9. Crocker Anglo Bank Armor Car + Deposits ②

10. Zornelin Note amortized

11. Letter dismission \$25,000 to Guy Ward

12. Hofues - Non Responsibility

13. Possession of \$50,000

14. Walter Nelson signature cards

15. Patroleum Club Lease

Lease - three
Nov - 1961 -

TO:

Frank Hofues, Jr., Administrator.
With-will annexed of the Estate of
Frank E. Hofues Sr, Deceased.
C/O Guy E. Ward.
120- El Comino Drive.
Beverly Hills, California.

RE: BAKERSFIELD INN.

Dear Mr. Hofues :

This letter is intended to set out the oral offer to purchase that certain property known as the Bakersfield INN, Bakersfield, California, here-to -fore presented by Mr. Jerry Giesler as counsel for the undersigned to Guy E. Ward, representing you as Administrator of the Estate of Frank Hofues Sr.

- I. We the undersigned Bakersfield Inn is encumbered as follows:

(a) Note secured by deed of Trust payable to the American National Insurance Co. and that the unpaid balance as of October 1st. was the sum of \$1,056,361.32...The monthly payment of the Principal and Interest was \$9,556.50. There-fore, the balance unpaid after January 1st 1959 payment is \$1,027,691.32...Our purchase is conditioned upon the assumption of the encumbrances or proration there-of at close of escrow or consummation of this transaction.

(b) Note payable to the Tomerlins secured by leases in said Bakersfield Inn, the total amount as of October 1st. 1958 was \$794,906.42. The monthly payments of Principal and Interest totals \$4,000.00., there-fore the Balance of January 1st. 1959 (after January payment) is \$782,906.42... Our purchase upon the assumption of the encumbrance or the proration there-of at close of escrow or consummation of this transaction.

2. We are to pay you the sum of \$475,000.00. net for equity of the Bakersfield Inn property...Based upon encumbrances as above set out,...the Total price will be \$2,285,598.24...If additional payments are made on the encumbrances referred to in paragraph-I- above prior to the consummation of this transaction, the cash payable will be proportionately increased...Of course, there will be the usual proration of Taxes, and Insurance at close of escrow or consummation of this transaction.
3. This purchase for the entire Bakersfield property the Bakersfield Inn, including both the real property and furniture and fixtures and equipment there-on situated or that are used in connection with the operation of said property.

4. It is acknowledged that we have the right to purchase all inventory of goods, foods, beverages used for service to the public but may be on hand at the close of escrow or upon consummation of this transaction, and if elected to do so, that he will pay there-fore invoiced price there-of... Payment there-fore will be made in cash.
5. We understand there is a resident property that is located near the Bakersfield Inn, that has been previously occupied by the Manager of the Bakersfield Inn...We understand this is a separate asset of the Estate and is encumbered.. We understand that this offer to purchase does not include this residence, but we reserve the right to make a separate offer to purchase said residence.
6. It is acknowledged that no real estate commission is due as a result of this offer to purchase as no real estate broker has been involved in this transaction.
7. We understand that this offer to purchase is conditioned upon the approval of the Superior Court of the State of California, in and for the County of Los Angeles, in the Estate proceedings No. SMP 8589.
8. Cashiers check in the sum of \$47,500.00. is enclosed here-with to be applied upon the purchased price if this transaction is consummated.. Otherwise said check is to be returned to the undersigned.
9. This offer is conditioned upon your acceptance thereof within a period of five days (5)

DATED _____

TO

Frank Hofues, Jr., Administrator
With-Will annexed of the Estate of
Frank F. Hofues Sr, Deceased.
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3. This purchase for the entire Bakersfield INN property including both the real property and furniture, fixtures and equipment thereon situated or that are used in connection with the operation of said property.

4. It is acknowledged that we have the right to purchase all Inventory of foods, beverages or other goods used for service to the public but may be on hand at the close of escrow or upon the consummation of this transaction, and if we elect to do so, that we will pay there-fore invoiced price there-of. Payment therefor will be made

2nd page.

CASH.

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DATED _____

[Faint, mostly illegible text at the bottom of the page, likely a signature block or additional conditions.]

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1. We the Bakersfield Inn is encumbered as follows:

(a) Note secured by deed of trust payable to the American National Insurance Company, and that the unpaid balance as of October 1st. was the sum of \$1,056,361.32... The monthly payment of the Principal and Interest was \$9,556.60. There-fore the balance unpaid after January 1st. 1959 payment is \$1,27,691.82... Our purchase is conditioned upon the assumption of the encumbrances or proration there-of at close of escrow or consummation of this transaction.

(b) Note payable to the Tomerlins secured by leases in said Bakersfield Inn, the total amount as of October 1st 1958 was \$ 5 \$794,906.42... The monthly payments of Principal and Interest., totals \$4,000.00., there-fore the balance of January 1st. 1959 (after January payments) is \$782,906.42... Our purchase upon the assumption of the encumbrance or the proration there-of at close of escrow or consummation of this transaction.

(c)

2. We are to pay you the sum of \$475,000.00 net for equity of the Bakersfield Inn net property... Base-
-ed upon encumbrances as above set out... The total price will be \$2,285,598.24... If additional payments are made on the encumbrances refered to in paragraph -I- above prior to the consummation of this transaction, the cash payable will be proportionately increased... Of course, there will be the usual proration of Taxes, and Insurance at close of escrow or consummation of this transaction.

2nd PAGE.

3. The purchase for the entire Bakersfield Inn property, including both the real property and furniture and fixtures and equipment there-on situated or that are used in connection with the operation of said property.
4. It is acknowledged we have the right to purchase all inventory of goods, foods, beverages used for service to the public but may be on hand at the close of escrow or upon consummation of this transaction, and if elected to do so, that he will pay there-fore invoiced prices there-of...Payment there-fore will be made in cash.
5. We the understand* there is a residence property located near the Bakersfield Inn, that has been previously occupied by the Manager of the Bakersfield Inn.. We understand this is a separate asset of the Estate and is encumbered... We understand that this offer to purchase does not include this residence, but we reserve the right to make a separate offer to purchase said residence.
6. It is acknowledged that no real estate commission is due as a result of this offer to purchase as no real estate broker has been involved in this transaction.
7. We understand that this offer to purchase is conditioned upon the approval of the Superior Court of the State of California, in and for the County of Los Angeles, in the Estate proceedings NO. SMP 8589.
8. Cashiers check in the sum of \$47,500.00.is enclosed here-with to be applied upon the purchased price, if this transaction is consumated... Other wise said check is to be returned to the undersigned.
9. This offer is conditioned upon your acceptance there-of with-in a period of five days (5)

DATED. _____

(9)

LIQUOR LICENSES

DOCUMENTS THAT SHOULD BE PRESENTED AT THE TIME THE APPLICATION IS FILED

1. Permit to operate in the State of California.
2. Copy of Articles of Incorporation and Roster of Principal Officers if the business is a Corporation.
3. Two copies, (in duplicate) forms furnished, of "Corporate Survey".
4. Copy of "Notice of Intentions to Transfer."
5. Copy of Lease, Sales Agreement or Title Document which gives applicant control of premises.
6. Copy of "Escrow Instructions".
7. Proof of citizenship of U. S. (birth certificate) is required of applicants.
- 7-a Corporate Seal
8. Present licenses for the four bars to be transferred.
9. Certified Check or Cashier's Check for \$110.00 (being \$27.50 for each bar location) Make check payable to: Department of Alcoholic Beverage Control.
10. General - If a transfer, both the applicant (transferee) and present licensee (transferor) should be present.

OTHER INFORMATION AND REPORTS REQUIRED

1. "Information and Affidavit" to be completed, in duplicate, by each Principal Owner at the Beverage Control Office - will be finger printed at the same time.
2. and, "Ownership Statement," in triplicate, by each of the principal investors to be completed in the Beverage Control Office - will be finger printed at the same time.

GENERAL: The application for the license should be made as soon as possible as a 30-day posting period is required. The Department will not investigate or process any application until a notice of posting has been submitted to the District Office by the applicant, and because of these requirements and other necessary procedures, the Department ordinarily needs a minimum of 45 days to process an application. Thirty-one days would be the quickest possible number of days, or one day after the posting period to obtain permission to operate under a new license.

2- However, we would be ~~xxx~~ permitted to operate, during the waiting period, "Acting Agent for the Estate" by a written agreement from the Administrator of the Estate.

ANALYSIS.

COMPARATIVE STATEMENT--BAKERSFIELD INN.

Ending June 30th 1958.

3-Months & 6-Months.

Comparing 1958 with 1957 shows decided decline

	3-months. 1958.	3-months. 1957.	6-Months. 1958.	6-months. 1957.	From 1957 To 1958.
<u>Gross Revenue.</u>					
Total rooms only.	\$106,784.17	\$135,893.91	\$191,063.66	\$255,448.21	Drop 6-mo. \$ 64,375.00
" Cafe "	\$146,895.04	\$176,607.58	\$270,440.39	\$338,680.42	\$ 68,240.00
" Beverage "	\$ 43,628.14	\$ 49,343.02	\$ 81,393.75	\$ 96,001.50	\$ 14,608.00
<u>TOTAL (ROOM GROSS.</u>					
" (Cafe. "					Drop 6-months.
" (Beverage "					
	\$ 305,599.59	\$375,738.13	\$ 559,730.43	\$716,712.00	\$156,982.00
<u>HOUSE PROFIT.</u>	\$52,061.83	\$ 76,631.74	\$ 75,193.23	\$149,742.85	Drop 6-months. \$ 74,549.00
Store Rentals.	\$ 7,425.00	\$ 6,675.00	\$ 14,446.69	\$ 13,020.00	
Operating Gross Profit	\$59,486.83	\$ 83,306.74	\$ 89,639.92	\$162,762.85	
Public Room Rentals.	\$ 766.36	\$ 905.00	\$ 1,471.30	\$ 2,372.00	
<u>TELEPHONE.</u> <i>loss.</i>	<u>\$ 46,416.3</u>	<u>\$ 37,304.1</u>	<u>\$ 91,173.3</u>	<u>\$ 78,286.4</u>	<u>\$ 9,117.33</u>
					6-Months Important.
<u>ROOMS STATISTICAL</u>					Drop from 1957 to 1958.
Available Rooms. 311-					
" Period.	28,301.	28,392.	56,291.	56,472.	9,320.
Total Occupied.	17,993.	22,045.	32,102.	41,428.	Vacant rooms
Percentage Occupied.	63.6%	77.7%	57.0%	73.4%	Rev. Lost.
Vacancies.	35.1%	20.9%	41.75	25.4%	Decline? 16%
<u>AVERAGE PER DAY.</u>					
Per Guest.	\$ 4.43.	\$4.52.	\$4.45.	\$4.55.	
<u>AVERAGE PER DAY.</u>					
Per room.	\$ 5.93.	\$ 6.16.	\$5.95.	\$6.17.	
<u>NET PROFIT & LOSS.</u>					
<i>loss.</i>	<u>\$ 13,995.50</u>	<u>\$ 28,419.25</u>	<u>\$ 56,686.45</u>	<u>\$ 59,997.95</u>	

NOTE..... The room occupancy for the first six months in 1958 shows a flat 57% house occupancy.

ANALYSIS.

COMPARATIVE STATEMENT--BAKERSFIELD INN.

Ending June 30th 1958.

3-Months & 6-Months.

Comparing 1958 with 1957 shows decided decline

	3-months. 1958.	3-months. 1957.	6-Months. 1958.	6-months. 1957.	From 1957 To 1958.
<u>Gross Revenue.</u>					Drop 6-mo.
Total rooms only.	\$106,784.17	\$135,893.91	\$191,063.66	\$255,448.21	\$ 64,375.00
" Cafe "	\$146,895.04	\$176,607.58	\$270,440.39	\$338,680.42	\$ 68,240.00
" Beverage "	\$ 43,628.14	\$ 49,343.02	\$ 81,393.75	\$ 96,001.50	\$ 14,608.00
<u>TOTAL (ROOM GROSS.</u>					
" (Cafe. "					From-1957
" (Beverage "					TO-1958.
	\$ 305,599.59	\$375,738.13	\$ 559,730.43	\$716,712.00	Drop 6-months. \$156,982.00
<u>HOUSE PROFIT.</u>	\$52,061.83	\$ 76,631.74	\$ 75,193.23	\$149,742.85	Drop 6-months. \$ 74,549.00
<u>Store Rentals.</u>	\$ 7,425.00	\$ 6,675.00	\$ 14,446.69	\$ 13,020.00	
<u>Operating Gross Profit.</u>	\$59,486.83	\$ 83,306.74	\$ 89,639.92	\$162,762.85	
<u>Public Room Rentals.</u>	\$ 766.36	\$ 905.00	\$ 1,471.30	\$ 2,372.00	
<u>TELEPHONE.</u>					Drop 6-months.
<i>Loss</i>	\$ 4,416.3	\$ 3,930.41	\$ 9,117.33	7,828.64	
<i>Loss</i>					6-Months Important. 9,117.33
<u>ROOMS STATISTICAL</u>					Drop from 1957 to 1958.
Available Rooms. 3II-					
" Period.	28,301.	28,392.	56,291.	56,472.	9,320.
Total Occupied.	17,993.	22,045.	32,102.	41,428.	Vacant rooms
Percentage Occupied.	63.6%	77.7%	57.0%	73.4%	Rev. Lost.
Vacancies.	35.1%	20.9%	41.75	25.4%	Decline? 16%
<u>AVERAGE PER DAY.</u>					
Per Guest.	\$ 4.43.	\$4.52.	\$4.45.	\$4.55.	
<u>AVERAGE PER DAY.</u>					
Per room.	\$ 5.93.	\$ 6.16.	\$5.95.	\$6.17.	
<u>NET PROFIT & LOSS.</u>					
	\$ 13,995.50	\$ 28,419.25	\$ 56,686.45	\$ 59,997.95	

NOTE..... The room occupancy for the first six months in 1958 shows a flat 57% house occupancy.

ANALYSIS.

COMPARATIVE STATEMENT BAKERSFIELD INN. Three Months & Six months.
Ending June 30th. 1958.

Comparing 1958 with 1957 shows decided decline in comparison.

	3-months. 1958.	3-months. 1957.	6-months. 1958.	6-months. 1957.	From 1957 To 1958.	Drop 6-mo. To 1958.
<u>Gross Revenue.</u>					From-1957 To-1958.	Drop 6-mo.
Total Rooms only.	\$106,784.17.	\$135,893.91.	\$191,063.66.	\$255,448.21.		\$64,375.00
" Cafe.	\$146,895.04.	\$176,607.58.	\$270,440.39.	\$338,680.42.		\$68,240.00
" Beverage.	\$43,628.14.	\$49,343.02.	\$81,393.75.	\$96,001.50.		\$14,608.00
TOTAL (ROOM Gross.					From-1957	Drop 6-mo.
" (Cafe.					To- 1958.	
" (Beverage.	\$305,599.59.	\$375,738.13.	\$559,730.43.	\$716,712.00.		\$156,982.00
<u>HOUSE PROFIT.</u>	\$52,061.83.	\$76,631.74.	\$75,193.23.	\$149,742.85.		Drop 6-mo. \$94,549.00
Store rentals.	\$7,425.00.	\$6,675.00.	\$14,446.69.	\$13,020.00.		
Operating gross profit.	\$59,486.83.	\$83,306.74.	\$89,639.92.	\$162,762.85.		
Public room rentals.	\$766.36.	\$905.00.	\$1,471.30.	\$2,372.00.		
<u>TELEPHONE.</u> loss	\$4641.63	\$3130.41	\$9117.33	\$18286.4		Drop 6-mo. \$9117.33
				6-Months.....	Important.	
<u>ROOMS. STATISTICAL</u>						Drop from 1957 to 1958.
Available Rooms. 311-						
" Period.	28,301.	28,392.	56,291.	56,472.		9,320-
Total Occupied.	17,993.	22,045.	32,102.	41,428.		vacant
Percentage. "	63.6%	77.7%	57.%	73.4%		rooms
Vacancies.	35.1%	20.9%	41.7%	25.4%		Rev.Lost.
						Decline
						16%
<u>AVERAGE PER DAY</u>						
per guests.	\$4.43.	\$4.52.	\$4.45.	\$4.55.		
<u>AVERAGE PER DAY</u>						
per room.	\$5.93.	\$6.16.	\$5.95.	\$6.17.		
<u>NET PROFIT & LOSS.</u>						
loss.	\$13995.50	\$28419.25	\$56686.45	\$59997.95		59,997.95

NOTE:..... The room occupancy for the first six months in 1958 shows a flat 57%.

PROJECTOR STATEMENT.

1958.

Average One month.
1956 as basis.

	Gross	NET.	RAISE 10% NOW
<u>ROOMS.</u>	\$35,000.00...	\$22,750.00. <i>Sept 1956 - 23,046.20</i>	\$25,025.00.
<u>BEVERAGE.</u>	" \$10,000.00...	\$4,000.00.	15,000.00.NOW. —
<u>FOOD.</u>	" \$50,000.00.	00000000	5,000.00NOW. —
	<hr/>		
	\$95,000.00.		<hr/>
			\$36,002.50.

The above figures^r were taken from the year 1956 here-with attached and cut to one months earnings etc. The above raise now. is this can be accomplished immediately and that the total earnings can be pushed up gradual to at least net earnings of \$40,000.00. per month. It will take public relations and high class operation, and lots of publicity.

The above figures of 1956 is not the figures that are earnings now, but they are used for comparison only and the additional figures are projected figures.

Trusting these facts will show you what the Inn can do if properly handled etc.

PROJECTOR STATEMENT.

1958.

Average One month.
1956 as basis.

<u>ROOMS.</u>	Gross	\$35,000.00...	<u>NET.</u> \$22,750.00.	<u>RAISE 10% NOW</u> \$25,025.00.
<u>BEVERAGE.</u>	"	\$10,000.00...	\$4,000.00.	15,000.00.NOW.
<u>FOOD.</u>	"	\$50,000.00.	00000000	5,000.00NOW.
		<u>\$95,000.00.</u>		<u>\$36,002.50.</u>

The above figures were taken from the year 1956 here-with attached and cut to one months earnings etc. The above raise now. is this can be accomplished immediately and that the total earnings can be pushed up gradual to at least net earnings of \$40,000.00. per month. It will take public relations and high class operation, and lots of publicity.

The above figures of 1956 is not the figures that are earnings now, but they are used for comparison only and the additional figures are projected figures.

Trusting these facts will show you what the Inn can do if properly handled etc.

BAKERSFIELD INT.
FOOD DEPARTMENT.
PERCENTAGES.

	Three Months Ended December 31.		Year Ended. December 31.	
	1957	1956	1957	1956.
	100.0%	100%	100%	100%
<u>NET SALES.</u>				
<u>COST OF FOOD SOLD.</u>	47.0%	44.5%	45.4%	44.6%
Cost of Food Consumed.....				
less: Cost of Employee's Meals.	8.8%	6.2%	7.3%	6.0%
<u>Cost Food Sold.</u>	38.2%	38.3%	38.1%	38.6%
<u>GROSS PROFIT.</u>	61.8%	61.7%	61.9%	61.4%
<u>OTHER INCOME.</u>				
Public Room Rentals.	.7	.5	.7	.7
<u>TOTAL NET FOOD REVENUES.</u>	62.5%	62.2%	62.6%	62.1%
<u>DEPARTMENTAL EXPENSES.</u>				
Salaries & Wages.	43.3%	38.4%	42.0%	37.8%
Employee's Meals.	6.2	4.5	4.2	4.4
Payroll Taxes & Welfare Fund.	3.7	3.4	3.9	3.4
Cleaning Supplies.	.8	.0	.9	.1
Laundry	3.4	2.7	3.1	2.8
Other Expenses.	4.5	2.9	3.8	3.3
<u>Total Expense.....</u>	61.9%	52.5%	58.9%	51.8%
<u>DEPARTMENTAL PROFIT.....</u>	6%	9.7%	3.7%	10.3%.

BAKERSFIELD INN.
TELEPHONE DEPARTMENT.

Schedule B-4.

	<u>Three Months Ended</u>		<u>Year Ended</u>	
	<u>December 31.</u>		<u>December 31.</u>	
	<u>1957</u>	<u>1956</u>	<u>1957</u>	<u>1956.</u>
<u>GROSS SALES.</u>				
Local	\$1,143.95.	\$1,762.90.	\$ 7,563.50.	\$ 8,719.30.
Long Distance	4,548.45.	7,010.30.	26,201.16.	38,839.18.
Service Charges.	527.65.	765.75.	2,967.84.	4,162.16.
<u>Total Telephone Sales.</u>	<u>\$6,220.05.</u>	<u>\$9,538.95.</u>	<u>\$36,732.50.</u>	<u>\$51,720.64.</u>
<u>ALLOWANCES</u>	<u>14.90.</u>	<u>43.25.</u>	<u>89.22.</u>	<u>90.10.</u>
<u>NET SALES.</u>	<u>\$6,205.15.</u>	<u>\$9,495.70.</u>	<u>\$36,643.28.</u>	<u>\$51,630.54.</u>
<u>COST OF SALES.</u>				
Long Distance.	\$4,418.68.	\$6,751.16.	\$25,787.04.	\$38,823.52.
Rental of Equipment.	3,082.71.	3,051.18.	12,255.11.	12,186.60.
<u>Total</u>	<u>\$7,501.39.</u>	<u>\$9,802.34.</u>	<u>\$38,042.15.</u>	<u>\$51,010.12.</u>
Less: <u>Commission</u>	<u>111.73.</u>	<u>196/46.</u>	<u>679.53.</u>	<u>1,209.40.</u>
<u>Distance Calls</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<u>Net cost of Calls</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
	<u>\$7,389.66.</u>	<u>\$9,605.88.</u>	<u>\$37,362.62.</u>	<u>\$49,800.72.</u>
<u>GROSS PROFIT OR LOSS.</u>	<u>(\$1,184.51.)</u>	<u>(\$110.18.)</u>	<u>(\$719.34.)</u>	<u>\$1,829.82.</u>
	Loss.	Loss.	Loss.	Gain.
<u>DEPARTMENTAL EXPENSE.</u>				
Salaries & Wages.	\$3,385.20.	\$3,801.31.	\$ 15,596.05.	\$15,865.90.
Employees' Meals.	194.50.	178.20.	745.34.	790.88.
Payroll Taxes & Welfare Fund.	184.87.	237.25.	914.09.	973.29.
Printing & Stationery.	50.66.	11.58.	179.90.	95.24.
<u>Total Expense.</u>	<u>\$3,815.23.</u>	<u>\$4,228.34.</u>	<u>\$17,435.18.</u>	<u>\$17,725.31.</u>
<u>DEPARTMENTAL LOSS ON CALLS THROUGH</u>				
<u>SWITCHBOARD.</u>	<u>\$4,999.74.</u>	<u>\$4,338.52.</u>	<u>\$18,154.52.</u>	<u>\$15,895.49.</u>
	R.	R.	R.	R.
<u>PAYSTATION COMMISSIONS</u>	<u>\$ 153.95.</u>	<u>\$ 187.54.</u>	<u>678.71.</u>	<u>792.15.</u>
<u>DEPARTMENTAL LOSS.</u>	<u>\$4,845.79.</u>	<u>\$4,150.98.</u>	<u>\$17,475.81.</u>	<u>\$15,103.44.</u>
	R.	R.	R.	R.

BAKERSFIELD INN.
OTHER INCOME.

Schedule B-5.

ITEMS.	Three Months Ended,		Year Ended	
	December 31.		December 31.	
	1957.	1956.	1957.	1956.
Valet Commissions	\$ 73.77.	\$ 127.43.	\$ 489.86.	\$ 673.13.
Laundry Commissions.	56.32.	87.97.	417.68.	537.84.
Telegraph " "	15.03.	8.60.	53.65.	90.24.
Vending Machines.	81.54.	67.89.	421.11.	418.99.
Unclaimed Salaries.	-	15.00.	-	15.00.
Cashed Discounts Earned.	35.35.	11.39.	217.78.	16.37.
Div. Workmen's Comp.	-	-	2,370.77.	-
Display Space.	-	-	455.00.	490.00.
Television Commissions.	\$2,178.15.	\$2,579.51.	11,048.10	11,323.70.
Salvage Sales.	443.00.	-	443.00.	-
Miscellaneous.	251.17.	27.25.	657.97.	9,973.50.
TOTAL OTHER INCOME.	\$3,134.33.	\$2,925.05.	\$16,574.92.	\$14,538.78.

ADMINISTRATIVE AND GENERAL.

ITEMS	1957.	1956.	1957.	1956.
Salaries & Wages.	\$ 6,983.29.	\$ 7,193.37.	\$ 29,185.86.	\$ 28,133.44.
Employee's Meals.	617.29.	610.29.	3,170.20.	2,034.14.
Payroll Taxes & Welfare Fund.	253.09.	284.22.	1,508.48.	1,351.41.
Printing Stationery & Supplies.	755.38.	354.95.	2,919.51.	1,390.29.
Executive Office Expense.	-	-	1,446.41.	-
Dues & Subscriptions.	767.55.	666.15.	3,051.19.	2,738.66.
Postage, Telegrams, and L.D.	-	-	-	-
Telephone.....	506.92.	320.86.	2,121.50.	1,284.64.
Traveling Expense & Auto.	128.86.	26.60.	1,785.53.	88.66.
Insurance General.	1,400.25.	1,442.76.	6,233.24.	5,816.52.
Accountants Fee.	1,400.50.	500.00.	3,625.50.	2,000.00.
Legal Expense.	150.00.	150.00.	682.03.	600.00.
Credit & Collection Expense.	12.50.	-	12.50.	14.75.
Loss & Damaged Articles.	40.00.	-	178.25.	-
Storage Rent.	X 1,430.00.	300.00.	1,970.00.	300.00.
Provision for doubtful Accts.	750.00.	450.00.	7,627.39.	3,787.70.
Miscellaneous	494.87.	(492.42,)	1,617.10.	1,085.83.
		R		
Total Administrative & General.	\$15,690.81.	\$11,806.78.	\$67,131.59.	\$50,626.04.

BAKERSFIELD INN, BAKERSFIELD, CALIF.
 Business forecast (projection) for period from
April 1, 1959 through March 31, 1960

	<u>Year ended</u> <u>Dec. 31, 1958</u>	<u>Increase</u> <u>%</u>	<u>Expected</u> <u>Amount</u>	<u>Expected Year</u> <u>ending 3/31/60</u>
REVENUE				
Rooms	\$ 342,233.88	25	\$ 85,558.47	\$ 427,792.35
Food	530,137.27	15	79,520.59	609,657.86
Beverage	156,320.24	20	31,264.05	187,584.29
Telephone	25,827.11		2,500.00	28,327.11
TOTAL OPERATING REVENUE	\$1,054,518.50		198,843.11	1,253,361.61
LESS EXPENSES (Operating)				
Payroll	375,337.58		401,049.53	
Other	432,036.92	807,374.50	483,083.84	884,133.38
OPERATING PROFIT	247,144.00			369,228.23
Other Income	11,559.91			12,000.00
GROSS OPERATING PROFIT	258,703.91			381,228.23
DEDUCTIONS FROM INCOME:				
Admn & General	65,567.52			
Payroll Taxes	270.52			
Adv. & Bus. Prom	21,080.21			
Heat, Light & P	45,050.52			
Repairs & Maint	57,392.83			
TOTAL DEDUCTIONS	189,361.65			190,000.00
	69,342.26			191,228.23
Add Store Rentals	28,571.69			29,000.00
GROSS OPERATING PROFIT	\$ 97,913.95			\$ 220,228.23

REMARKS:

Our big reason for the increase in rooms, food and beverage revenue, in our opinion, is due to professional operators, complete revision of all departments together with Harworth & Harworth auditing procedures and the voucher system, thereby bringing back the Bakersfield Inn up to the high standards enjoyed some years ago, the increased travel movement on Highway #99, North and South, ~~also~~ also, the new military highway from Las Vegas, Nev. to Bakersfield, and the regular highway branching off at Berstow which has been greatly improved. There are many people that can be brought in this direction if the highway is properly signed. It must be remembered that the 8th Olympic Winter Games at Squaw Valley, Lake Tahoe will bring many tourist through this area. Too, it is planned to blast a great advertising campaign and tying up with key hotels and Inns that will direct business to Bakersfield Inn. We have been conservative in our estimates and expect to increase these percentages after 90 days of operations. Also, we have reduced the "Cost of Sales" percentages in our calculations of COST OF FOOD AND BEVERAGE SOLD as well as reducing the percentage ratio of "salaries to sales" necessary to operate the various departments.

I honestly believe the above forecast year 1959 to 1960 is low as we have kept low as the present operation was used, how-ever with what the Nelson-Smith Hotel Company will put into this Hotel in equipment and advertising this figure might be doubled in income.

BAKERSFIELD INN

	<u>ROOMS</u>	<u>%</u>	<u>FOOD</u>	<u>BEVERAGE</u>
1952	\$ 619,420.66	85.6	\$ 659,821.23	\$ 208,100.17
1953	606,744.26	84.2	633,193.64	196,601.82
1954	573,603.57	80.4	614,983.45	185,565.27
1955	539,668.89	76.0	605,127.79	179,587.15
1956	513,307.98	71.9	658,999.54	182,058.39
1957	421,211.70	60.4	583,000.00	167,533.15
1958	342,223.88	50.7	530,137.27	156,320.24



Title Insurance and Trust Company

FOUNDED 1893

KERN COUNTY OFFICE

17TH AND "I" STREETS • P.O. BOX 1631 • BAKERSFIELD, CALIFORNIA

IN ACCOUNT WITH

ORDER NUMBER 141857-Y-746

• William Swiney
• Sill Building
• Bakersfield, California

TERMS NET CASH

DATE 5-27-58

FIRST OF EACH MONTH

PLEASE DETACH THIS PORTION AND RETURN WITH CHECK, WHICH IS YOUR RECEIPT

NUMBER

DATE OF INVOICE

DESCRIPTION

AMOUNT

BALANCE

Re: Block 1, California Park Avenue, Tract No 2.
Block 2, exc. Lots 10, 11, 12 to 13 "

141857-Y-746 5-27-58 Ownership Report

\$5.00

*Paid 6/16/58
CS*

Aqua

HOTEL 1401 SOUTH FIFTH STREET *on the strip* LAS VEGAS, NEVADA • DUDLEY 2-7250

LANAI ROOMS ☆ POOL ☆ RESTAURANT ☆ COFFEE SHOP ☆ GIFT SHOP
 ☆ DANCING ☆ COCKTAIL LOUNGE ☆

127,000. Travellers - 20,000 down
20,000 Swimming Pool - Beverlyflat
 120. 127.
116' x 145'

Main people - 116 Frontage x 145 Rear

\$450,000 T.
 \$1070,000 A. J. S.
300,000 - A
1800,000.

Says way less and shortly not renew lease

Find we must get prices

Bills against beds
- estate -

Claim against estate

usubs + liabilities

off estate assets
more than

Int clearance or
Delli. Proportions

Income - + gov (tax)
State also -

order atly action

Dec 1956
Proportion 50%
90%

Appraisal - \$
Proportions 2nd 3rd.

Real Estate, P A

Bill Shaw Carter - Alaska oil satuf

Also - give him a run-down of the organizing
Creditors - that you gave Hallett

Hallett's letter - I to get Creditors lined up
(I don't think so, good)

Have the model lined up. with Kaye Packer

Hafers conference Bill Lumsden.

Check up. Lists - on. Title Co. Description
of. 1-2-3-4-5-6-7-8-9-10

See what Paragard means

TITLE INSURANCE COMPANY AND TRUST.
17th. and I-Streets. P.O.Box 1631 Bakersfield.

May 27th. 1958.

William Swiney.
Sill Bldg.
Bakersfield, Calif.

Re: Our File. NO. I4I857-Y-746.

Dear Sir:

An examination of our lot book indicates and discloses the following information.

- Parcel 1; Lots 3,4,5,6, and 7. inclusive and also Lots 14, 15,16,17, and 18, inclusive of Block I, California Ave Park Tract No.2, City of Bakersfield, County of Kern, State of California, as per map recorded March 30, 1925. at book 3- Page II5 of Maps....
Apparent record Owner.
Stanley F. Merta and Mary A. Merta, Husband and Wife, by deed recorded August 30th.1957 at book 2837 page 554 of official Records.
- Parcel 2: Lots 8 and 9 of Block I California Avenue Park Tract No.2. City of Bakersfield, County of Kern, State of California, as per map recorded March 30th 1925 at book 3 page II5 Maps.
Apparent Owner record.
KENNETH A. TYLER AND IVA MARIE TYLER.
Husband and wife.as joint tenants, by deed recorded September 3, 1957 at book 2838 page I27 of official records.
Address 2709- East Laurel, Fresno, California.
- Parcel 3. Lots 10,11,12,and 13 of Block I, California Ave. Park Tract No. 2. City of Bakersfield, County of Kern, State of California, as per map recorded March 30,1925. at book 3 page II5 of Maps.
Also all portion of 10th Street lying between the Easterly line of Pershing Street, and the Westerly line of Union Ave., as vacated by Resolution of the Council of the City of Bakersfield, March 5, 1945. under resolution of Intention No. 645. Apperent Owner. *FRANK HOFUES*
FRANK S. HOFUES A MARRIED MAN, by quit claim deed. recorded July 1,1952. at book 1958,page 5 of official Records.
- Parcel 4. Lots 1,2,19,20, and 21 of block I California Ave. Park Tract No.2, City of Bakersfield, County of Kern, State of California, as per map recorded March 30,1925. at book 3 page II5 of map.
Apparent record Owner.
GEORGE B. GARDINER and WIFE ANNA F. GARDINER, husband and wife. as joint tenants.

Few notes to have Jerry include in the closing document. "WATCH"

The so called ~~\$90,000.00~~ ^{\$90,000.00} old bills left due when Hofues sr. passed. Are still unpaid? andy another bills.
The local and currant bills ? Any contracts made relative to

advertisments or other wise.
The bed tax assest by the city of Bakersfield due Feb. Ist. *3 months*
I understand Hofues has not paid on this but has assest guests 4%
Inventories must also include engine room and all tools.

Note the Travelers Motel next to INN can be bought now \$135,000.
or less also the corner Safeway. \$500.00 front foot.

all items

CALIF TAX INHERITANCE
APPRAISAL

\$ 312,000 00

This is the appraisal
The Lead woman gave
Bill Swearing & he
Did come to me.

Appraisal of entire Property
by Legal appraiser



~~\$ 320,000.00~~

P. O. BOX 526

BAKERSFIELD, CALIFORNIA

\$ 2340.000

REVIEWING THE COMPARATIVE STATEMENT.
Ending June 30th. 1958.

The first 6-months ~~The first 6-months~~ in 1958 shows an averageroom occupancy of a flat 57% occupancy..... With a room drop of \$64,375 from 1957 to 1958. 6-months, ending June 30th.

Also on the whole rooms, food, & beverageshows a decline of \$156,982 for the same 6-months in dollars.

The net loss however shows a \$28,419.25..... This may be correct I presume it is.

However, if this loss was carried over on the next 6-mo. which I presume it might be that runs into well over \$300,000.00

In this period there were 9320- VACANT ROOMS..... According to HORWATH & HORWATH, National Hotel Auditing Firm the basis is at least 75% occupancy before an average Hotel shows a profit..... a 57% occupancy is way out of line.

The INN has been declining for several years according to the reports, but this year 1958 is beginning to show a dangerous situation.

The rate are not to my mind correct, they are too low on the average, but they could be raised gently and with well trained clerks who are room salesmen this could be accomplished.. There is not a Motel or Inn of the more modest service that does not have a much higher rate then this great MOTOR INN.

The Telephone Department shows a loss for the first six months of 1958 of \$9,117.33. (Nine thousand eleven ~~and~~ dollars and thirty three cents.) seventeen.

There has to be a vast waste and no supervising of telephone calls to make this possible, unless they are giving telephone calls free.

These are just a few things that seem out of line, or probably I dont understand..... This Hotel is actually loosing over \$300,000.00. per year as shown by the books. In my mind there are many things that could be corrected, too numerous and dangerous to mention.

Repairs for three months in 1958 dropped from 1957-\$22,191.68 to \$14,273.61..... This might be up-keep slipping.

Food department shows a profit of 6.3%, with the volume this does not look right.....

The fall off in the beverage department denotes, either the pourage is wrong or various other things might happen.

REVIEWING THE COMPARATIVE STATEMENT

Ending June 30th. 1958.

6-Months
3- "

The first 6-months in 1958 shows a average room occupancy of a flat 57% occupancy, and with a room drop of \$64,375.00 from 1957 to 1958. 6-mo. Also on the whole decline Rooms, Food, & Beverage shows a decline of \$156,982.00. for six months. Then the Net Loss for the six months shows only \$28,419.25.... This may be correct I presume it is, How-ever if this loss was carried over on the next six months which I presume it well might be that runs into well over three hundred thousand dollars,.....

In this period there was 9320 vacant rooms. Hotels must have an occupancy according to Horwath & Horwath National Hotel Auditing Firm. of 75%. before you are out of the red. The INN has been declining for several years according to the reports, but this year 1958 is begaining to show danger very much.....

Also the rates are not according to my way of thinking correct, they are too low, and could be raised gently and with well trained clerks who are room salesmen this could be accomplished..... There isent a Motel of the more modest service that dont have a much higher rate then this great Motor INN..... There is a vast waste and no supervising of the Telephone calls.... This seems to be completely out of order. \$9,117. \$9,117.33 for the first six months this year.

This is just a very few things that seem out of line or probably I dont understand. This Hotel is actually loosing over \$300,000.00. per year shown by the books..... In my mind there are many things that could be corrected too numerous and too dangerous to mention.

Repairs for three months in 1958 dropped from 1957 \$14,273.61. from \$22,191.68. would seem up-keep slipping. ~~three months~~.

Food department shows a profit of 6.3% with the volume this does not look right.

The fall off in the beverage denotes either the pourage is wrong or cheating or the operation is all wet.

716.712
559.730
156.982

37123

64.375
68.240
14.608

ANALYSIS.

COMPARATIVE STATEMENT BAKERSFIELD INN, Three Months & Six months.
Ending June 30th. 1958.

Comparing 1958 with 1957 shows decided decline in comparison.

	3-months. 1958.	3-months. 1957.	6-months. 1958.	6-months. 1957.	From 1957 To 1958.
<u>Gross Revenue.</u>					Drop 6-mo.
Total Rooms only.	\$106,784.17.	\$135,893.91	\$191,063.66.	\$255,448.21.	\$64,375.00
" Cafe.	\$146,895.04.	\$176,607.58	\$270,440.39.	\$338,680.42.	\$68,240.00
" Beverage.	\$43,628.14.	\$49,343.02.	\$81,393.75.	\$96,001.50.	\$14,608.00
 TOTAL (ROOM Gross.					Drop 6-mo.
" (Cafe.					\$
" (Beverage.	\$305,599.59.	\$375,738.13.	\$559,730.43.	\$716,712.00.	\$156,982.00
 <u>HOUSE PROFIT.</u>					Drop 6-mo.
Store rentals.	\$52,061.83.	\$76,631.74.	\$75,193.23.	\$149,742.85.	\$74,549.00
Operating gross profit.	\$7,425.00.	\$6,675.00.	\$14,446.69.	\$13,020.00.	
Public room rentals.	\$59,486.83.	\$83,306.74.	\$89,639.92.	\$162,762.85.	
TELEPHONE. <i>loss</i>	\$4,641.63	\$3,730.41	\$9,117.33	\$18,228.64	Drop 6-mo. \$9,117.33
<u>ROOMS. STATISTICAL</u>					Drop from 1957
Available Rooms. 311-					to 1958.
" Period.	28,301.	28,392.	56,291.	56,472.	9,320-
Total Occupied.	17,993.	22,045.	32,102.	41,428.	vacant
Percentage. "	63.6%	77.7%	57.0%	73.4%	rooms
Vacancies.	35.1%	20.9%	41.7%	25.4%	Rev. Lost.
<u>AVERAGE PER DAY</u>					Decline
per guests.	\$4.43.	\$4.52.	\$4.45.	\$4.55.	16%
<u>AVERAGE PER DAY</u>					
per room.	\$5.93.	\$6.16.	\$5.95.	\$6.17.	
 <u>NET PROFIT & LOSS.</u>					
	\$13,995.50	\$28,419.25	\$56,686.45	\$59,997.95	

NOTE:..... The room occupancy for the first six months in 1958 shows a flat 57%.

ANALYSIS

6 MONTHS - 1957
1958

COMPARATIVE-
EXAMINATION BARKSFIELD INN - STATEMENT. 3 MONTHS END JUNE 30

Comparing 1958 WITH 1957 - Show a decided decline in comp. 1957 - WAS NOT A GOOD YEAR. 1956 - 1958 - WORSE. LOSS

		3 Mo 1958	3 Mo 1957	6 Mo 1958	6 Mo 1957	Loss 1957-8
1958	Telephone. Loss	441.63	3730.41	9117.33	7828.64	9117.33
	Apr-May-Jun.					Drop 6 Mo.
Total Room Rev } gross	Page 1	305599.59	375738.13	559730.43	716712.00	156981.00
" Bev " }	"					Drop 6 Mo.
" Cafe " }	"					Drop 6 Mo.
Hours-Profit	X	52061.83	76631.74	75193.23	149742.85	74549.00
Gross-oper Profit	X	Store Rent 7425.00 Total 59486.83	6675.60 83306.74	14446.69 89639.92	13020.00 162762.85	
Net Profit - loss.	Page 4	13995.50	28219.25	56686.45	59997.95	
Total Room ONLY Rev. gross	SK.B1	106784.17	135893.91	191063.66	255448.21	64375.00
" Cafe Rev	X SK.B2	146895.04	176607.58	270440.39	338680.42	68240.00
" Bev " "	SK.B3	43628.14	49343.02	81393.75	96001.50	14608.00
						Drop 6 Mo.
Store Rentals		7425.00	6675.00	14446.69	13020.00	
Other INCOME Comm, etc		3253.88	6305.52	16662.45	10524.86	
* Public Rms. Rentals		7636	905.00	1471.36	2372.00	901.00
311 Rooms. H.C.						
AV. Rm. Rev quest.	443					
" "	593					
Total Rent. Taxes +						
INS. 3200.	13,817.54					

COMPARATIVE YEARLY EARNINGS

Explanation on Rept. 1957- 1st 6 Mo.

Ex B. Page 1 Deductions from Income.
 B. 6. ADMINISTRATIVE GENERAL.

SALARIES
 5700.00
 3 months
 1958

Departmental Profit 1958 6 mo (51)
 \$6,388. - Last year 35,960.46

more? 56093 See B2-
 Page 1

Cost Food - inc employees	43.5
Less Cost employees	6.5
	37.0%
SALARIES + WAGES	40.3%

Rooms Statistical

3 mo. End June 30

SIX months Ending June 30

	1958	1957	1958-	1957	
Available Rooms	311				
" Period	28,301	28,392	56,291	56,472	6 mo
Total occupied	17,993	22,045	32,102	41,428	Drop from 1957 to 1958 9320 inc. Rooms lost. -
Percentage occupancy	63.6%	77.7%	57.0%	73.4%	Decline -
occ. %	35.1%	20.9%	41.7%	25.4%	16% -
Average Per Day Per guest		4.43	4.52	4.45	4.55
Average Per Room Per Day Occupied		5.93	6.16	5.95	6.17

ANALYSIS.

COMPARATIVE STATEMENT--BAKERSFIELD INN.

Ending June 30th 1958.

3-Months & 6-Months.

Comparing 1958 with 1957 shows decided decline

	3-months. 1958.	3-months. 1957.	6-Months. 1958.	6-months. 1957.	From 1957 To 1958.
<u>Gross Revenue.</u>					From-1957-1958 Drop 6-mo.
Total rooms only.	\$106,,784.17.	\$135,893.91.	\$191,063,66	\$255,448.21.	\$ 64,375.00
" Cafe "	\$146,895.04.	\$176,607.58.	\$270,440.39	\$338,680.42.	\$ 68,240.00
" Beverage "	\$ 43,628.14.	\$ 49,343.02.	\$ 81,393.75	\$ 96,001.50.	\$ 14,608.00
<u>TOTAL (ROOM GROSS.</u>					
" (Cafe. "					From-1957
" (Beverage "					To- 1958.
	\$ 305,599.59	\$375,738.13	\$ 559,730.43	\$716,712.00.	Drop 6-months. \$156,982.00
<u>HOUSE PROFIT.</u>	\$52,061.83.	\$ 76,631.74	\$ 75,193.23.	\$149,742.85.	Drop 6-months. \$ 74,549.00
Store Rentals.	\$ 7,425.00.	\$ 6,675.00	\$ 14,446.69	\$ 13,020.00.	
Operating Gross Profit	\$59,486.83.	\$ 83,306.74	\$ 89,639.92	\$162,762.85.	
Public Room Rentals.	\$ 766.36.	\$ 905.00	\$ 1,471.30	\$ 2,372.00.	
<u>TELEPHONE.</u> <i>Loss</i>	<i>\$ 464163</i>	<i>\$ 373041</i>	<i>\$ 911733</i>	<i>\$ 782864</i>	<i>\$ 911733</i> 6-Months Important.
<u>ROOMS STATISTICAL</u>					Drop from 1957-TO 1958.
Available Rooms. 3II-					
" Period.	28,301.	28,392.	56,291.	56,472.	9,320.
Total Occupied.	17,993.	22,045.	32,102.	41,428.	Vacant rooms
Percentage Occupied.	63.6%	77.7%	57.0%	73.4%	Rev. Lost.
Vacancies.	35.1%	20.9%	41.75	25.4%	Decline? 16%
<u>AVERAGE PER DAY.</u>					
Per Guest.	\$ 4.43.	\$4.52.	\$4.45.	\$4.55.	
<u>AVERAGE PER DAY.</u>					
Per room.	\$ 5.93.	\$ 6.16.	\$5.95.	\$6.17.	
<u>NET PROFIT & LOSS.</u>					
<i>Loss</i>	<i>\$ 1399550</i>	<i>\$ 2841925</i>	<i>\$ 5668645</i>	<i>\$ 5999795</i>	

NOTE..... The room occupancy for the first six months in 1958 shows a flat 57% house occupancy.

REVIEWING THE COMPARATIVE STATEMENT.

Ending June 30th. 1958. 6-Months.

The first six months in 1958 shows an average room occupancy of a flat 57% occupancy...6-months ending June 30th.1958.

Also on the whole rooms, food, and beverage shows a decline of \$156,982.00 for the same 6-months in Dollars. The net loss however, shows a \$56,686.45.....This may be correct I presume it is, however if this loss was carried over on the next six months it might well run into over \$300,000.00. decline.

In this period there were 9320- VACANT ROOMS.... According to Horwath & Horwath, National Hotel Auditing Firm, the basis must be at least 75% occupancy before an average Hotel shows a profit.....A 57% occupancy is way out of line.

The INN has been declining for several years according to the reports, but this year 1958 is beginning to show a very dangerous situation....

The rates are not to my mind correct, they are too low on the average, but could be raised gently, and with well trained clerks who are room salesmen this could be accomplished..... There is not a Motel or Inn of the more modest service that does not have tariff then this great Motor Inn.
(higher)

The telephone department shows a loss for the first 6-months of 1958 operation \$9,117.33..... There has to be a waste and no supervising of telephone calls to make this loss possible.

Repairs for three months in 1958 dropped from 1957-\$22,191.68 to \$14,273.61.....This might be up keep slipping.

Food department shows a profit of 6.3% with the volume they have this does not look right.

The beverage department drop denotes either the pourage is wrong or various other things might happen.

These are just a few things that seem out of line.... This Hotel is actually loosing over \$300,000.00. per year as shown by the books..... In my mind there are many things that could be corrected too numerous to mention in this short review.

II/22/58.

CONFIDENTIAL

TO: Jerry Giesler & William Swiney.

Relative to operation and up-Keep complaints of various people in Bakersfield who have been critical of the Bakersfield Inn.

The Inn has from its early beginning and construction been considered an Institution with all of the Bakersfield people, and they have taken great pride in patronizing this Inn, so that during the Tomerlin's owner-ship and operation the Inn become Nationally known.....

How-ever thru- the passing of the Inn to various own-erships and operators this prestige has diminished greatly, as now the Inn does not have this great pulling power and consequently the up keep also has not been in tune with the trend of the times.

Here-with follows a few names of prominent Bakersfield people that have expressed their feelings re-latively to the INN.....

George Haberfelde. Top man in Bksfld. Ford Agy. Capitalist.
Will Haberfelde. Manager of the Haberfelde Companies.
Frank Jeppi. Capitalist. Oil & Cotton.
Walter Kane. Owner The California Newspaper.
Laurence Weill. Owner Weill's Dept Store & Capitalist.
Dr. Carl Moore. Leading Physican and Surgeon
George C. Lum. Owner Largest Produce Co.
James Dale. Vice President and Co-Owner Supply Co.
Willard Gold. Owner Quality Meat Co.
Malcolm Brock. President & Owner Brock's Leading Dept Store.
Albert Lum. Leading Chinese Merchant.
John Loustlate. Post Master & important party.
James THRASHER. One of the leading Automobile Agencys.
A.D. Peckham. Leading Painting Contractor.
John Brock. Managing Director Brock's.
William Camp. Capitalist and leading Cotten grower.
Cecil Jones. President & Owner Gundlach Co.
Henry Brandt. Capitalist and Real-estate & Oil.
William Grafeman. Claims Adjuster. Fireman's Fund.
Carl Bergman. Retired.) T.V & Packing House etc.
Jack O'Niel....Fresno. Chairman and Owner Producers Cottens Oil Co.
Fred Twining. " Owner Twining Laboratory. Well Known.
Helen Twaddel. Head women at Brock's.
Willam E. White. " Banker and Leading Fresno Business Man.
Edward Nepple. Bksfld Oil operator.
George Popovitch. City Editor Fresno Bee Newspaper.
Cal Antrim., Fresno Leading Realtor.
C. W. Kidder. Bksfld Neon Sign Co. President.
Carl Wente., Chairman of the Officers Bank of America. San Francisco.
Alexander P. Gatti., Manager Blyth & Co., Fresno Office.
Loren White. Bakersfield Manager of The Atchison-Topeka & S. Fe.
Freight Department.
Hal. Thomas. Owner of the Cigar and Liquor concession El Tejon Hotel.

over.

-SUGGESTION OFFERED

You Mr. Giesler have offered \$300,000.00. cash for Mr. Frank Hofues equity in the Bakersfield INN, so if its true he has to come up with \$150,000.00. to pay the Judgement declared by the court to Frank Hofues common law wife etc. It might be this judgement be assigned to us as one way of negotiation, there is also \$100,000.00. worth of bills still unpaid that was left this way when Frank Hofues passed on. These are purveyors accts. and there is movement now on these bills to start action some how.....

As Mr. Walter Nelson gave you authority to go to \$500,000.00. if we can negotiate as you mentioned at our conference recently below this it would be smart so to do, Mr. Swiney thinks it might be done, how-ever, this is up to you to figure out the best path to follow.....

At the present time Mr. Ward is endeavoring to get a loan of \$250,000.00. a third mortgage as I see it.... This proposed loan is from a Company in New York, the National Theatrical Supply Co.... This is all being used by Mr. Ward. Mr. Swiney does not go along with Mr. Ward on the above.

Mr. Swiney can give you a great deal more ideas as to things you can work on in negotiations.

In closing I wish to state that the operation at the present time Bakersfield Inn does not have any tie in with friendly hotels or any other type of business getting deals with Rail-roads, aviation, Travel Agents and other sources of direction of business, to the best of my knowledge.

signed Clayton V. Smith.

P.S..... The names contained here-with are just a few people that have expressed regret and deep concern relative to the INN'S Depreciation and Deterioration and to brief you relative to conditions. The City of Bakersfield recognizes this and that is why business has declined.... The Hotel industry discusses freely this situation all through out the State.

Bakersfield Inn

Comparative Statement Income

Operated Department		3-MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
		1958	1957	1958	1957
<u>Revenue.</u>					
Rooms Dept.		77,600.24	86,773.24	268,663.90	342,221.45
Food "		121,093.97	117,413.04	393,005.72	458,465.46
Bev. "		33,994.91	33,558.87	115,388.66	129,560.37
Tel. "		5,801.68	7,202.61	21,162.95	30,962.89
TOTAL REVENUE.		<u>238,490.80</u>	<u>244,947.76</u>	<u>798,221.23</u>	<u>961,210.17</u>
<u>Expenses.</u>					
Rooms Dept.		34,934.25	37,176.26	103,386.76	119,097.75
Food "		126,232.88	132,770.40	387,756.43	437,862.36
Bev "		24,359.72	24,755.52	78,263.31	81,893.16
Tel. "		10,898.06	12,003.99	35,376.66	43,592.91
TOTAL EXPENSE.		<u>196,424.91</u>	<u>206,706.17</u>	<u>604,783.18</u>	<u>682,446.18</u>
<u>Profit or Loss</u>					
Rooms Dept.		42,665.99	49,596.98	165,277.14	223,123.70
Food "		5,138.91	15,357.36	52,492.71	20,603.10
Bev "		9,635.19	8,803.35	37,125.35	47,667.21
Tel. "		5,096.38	4,801.38	14,213.71	12,630.02
TOTAL OPERATED DEPT PROFIT		<u>62,536.47</u>	<u>78,559.07</u>	<u>208,108.91</u>	<u>284,024.03</u>
<u>Other Income</u>		2,483.44	4,157.32	20,583.92	29,204.58
Gross Operating Income		<u>65,019.91</u>	<u>82,716.39</u>	<u>228,692.83</u>	<u>313,228.61</u>
<u>Deductions from Income.</u>					
Administrative Gen		14,582.80	15,604.33	42,258.31	51,443.78
Roll Taxes & Emp. Relations		639.4	78.65	222.64	212.05
Adv. & Bus. Promotion		6,388.19	4,448.00	14,420.10	13,883.91
Heat-Light & Power		11,990.00	11,928.31	33,173.91	30,545.16
Repairs & Maintenance		16,688.74	17,744.77	42,480.09	55,023.57
TOTAL Ded. from Income		<u>49,713.67</u>	<u>49,804.06</u>	<u>132,555.05</u>	<u>151,108.47</u>
House Profit or Loss		<u>15,306.24</u>	<u>32,912.33</u>	<u>96,137.78</u>	<u>162,919.54</u>
<u>Store Rentals</u>		7,135.00	6,415.00	21,581.69	19,435.00
Gross Oper. Profit		<u>22,141.24</u>	<u>39,327.33</u>	<u>117,719.47</u>	<u>182,354.54</u>
<u>Rent Taxes & Insurance</u>		13,804.98	12,578.40	41,995.44	41,515.33
Profit Before Interest		<u>8,336.26</u>	<u>26,748.93</u>	<u>75,724.03</u>	<u>140,839.21</u>
<u>Amortization & Depreciat</u>		20,282.65			
<u>Interest</u>		20,884	21,513.86	62,326.55	65,501.53
Profit or Loss Before		<u>32,116.97</u>	<u>36,323.70</u>	<u>12,711.41</u>	<u>53,514.25</u>
<u>Amortization & Depreciation</u>		37,623.22	37,599.11	113,715.23	187,435.01
Net Profit or Loss		<u>69,740.19</u>	<u>73,922.81</u>	<u>126,426.64</u>	<u>133,920.76</u>

	1958 ② Jul. Aug. - Sept. 3-Months end Sept 30 - 1958	1957 ③ Jul. Aug. - Sept. 1957	Rooms 1958 ④ Jan. - Dec. - Sept. 9-Months 1958	1957 ⑤ 9-mo. 1957
Occupied Rooms	45.6%	49.7%	53.2 49.6%	65.4%
Rm Rev.	79,600.21	86,773.24	268,663.90	342,221.45
Total gross	18,348.	20,104	61,314	76,219 -
Av. Room	\$4.23			
Rms expense.	45%	42.8%	26.7	23%
Net Sales	120,173.97	116,793.04	Food. 390,614.36	455,478.46
Total Exp.	81,547.83	83,251.07	242,097.01	264,549.16
Loss - 5,138.91	Loss - 15,357.36	52,492.77 GAIN		20,603.10 GAIN
Total Exp %	67.9%	71.3%	62%	58.1%
Loss	4.3%	13.2%	1.3% GAIN	4.5% GAIN

			Beverage.	
Net Sales.	33,994.91	33,558.87	115,388.66.	129,560.37
Cost Bev.	32.4%	34.3%	31.9%	38.0%
Profit	28.4%	26.2%	32.2%	36.8%

9-mo. Del. Loss. 14,213.71

Operated Departments

	1958 3-mo. Sept 30	1957 3-mo.	1958 9-mo.	1957
ROOMS.	77,600.24	86,773.24	268,663.90	342,221.45
Food.	121,093.97	117,413.04	393,005.72	458,465.46
Bw.	33,994.91	33,558.87	115,388.66	129,560.37
Dr.	5,801.68	7,202.61	21,162.95	30,962.89

Bakersfield Inn -

MAY.

1958.

FRANK HOFUES. OWNER.

BALANCE

ASKING 1,000,000.00 For Property.

DOWN Payment

500,000.00 300,000.

Fix-charges.
Monthly.

5000.00

200,000.00

FISHMAN.
AM. NAT. INS Co. Tex
Fomerlin. Mas.

79000

15 yrs. 1,000,000.00 loan with

850,000.00

400000

4 yrs. Tax inc. 3 yrs. term

144,000.00

HOFUES.

15000.00
23,410.00

20 years 4%.

1,500,000.00

7,50000 month 20yrs 4%

Probability

Hofues.

Accept 1,225,000.00 }
or DOWN 400,000.00 } ~~1,625,000.00~~

Fishman

CASH 400.00

Commission Hofues quarry 5% on 5. 25000
" Gov. in 20 yrs Balance.

Rmch. 1/2/58

COMPARATIVE-YEARLY-EARNINGS

	MO-TOTAL	YEAR 1955		
Sept 1955				
Oct. "				
Nov. "				
Dec. "				
JAN 1956	403154.56	967570.92		
Sept 1956				
Oct "				
Nov "				
Dec "				
JAN 1957	439954.00	1055890.32		
Sept 1957	38316.36	44896.15		
Oct "	40610.25	43220.65		
Nov "	36523.50	44022.50		
Dec "	36943.55	46921.28		
JAN 1958	37085.50	42936.59	AD-INCREASE-FOR MONTH	7239.21

JAN. 1958
GROSS EARNINGS

ROOMS	CAFE	BEVERAGE	MAG + Patrons	Cards-Maps	City Ledger	Other Acc'ts	TOTAL
39085.50	42936.59	11379.66	1091.17	-9291	-2195	236.64	94842.25
Total Gross year 1957							33250.00
NET PROFIT							1127558.83

RIMUHO BAKERSFIELD MOTEL, INC

DETAIL OF INCOME

YEAR 1957.

	ROOMS.	(A) FE	Beverage	MGR & Apprs	(A) RS - Cards, Books, Radio-Teloms	Guests-Act	OTHER INC
JANUARY 1957	36,875.50	\$ 38,817.12	# 9,768.41	# 1,020.52	\$ 5,460.1	2,526.6	
FEBRUARY "	32,232.61	36,941.17	9,299.93	936.90	5892.	2112	
MARCH "	36,114.00	38,756.13	10,315.26	865.15	1,189.6	199.80	
APRIL "	39,370.95	43,511.67	11,021.66	1,005.23	5891	40.83	
MAY "	36,916.95	41,095.03	11,200.63	970.52	6211	157.58	
JUNE "	41,822.00	46,468.16	11,517.51	1,008.52	4690	133.58	
JULY "	38,608.38	46,292.26	11,461.10	981.60	6133	(6.85)	
AUG "	43,869.25	51,521.66	11,650.59	1,105.53	6208	0.0	
SEPT "	38,316.50	44,896.15	11,325.90	1,017.07	6631	0.0	
OCT "	40,610.10	43,220.65	11,157.48	1,121.14	4815	0.0	
NOV "	36,523.50	41,022.50	11,012.10	1,074.51	6109	0.0	
DEC "	36,923.50	46,921.88	11,009.86	1,053.08	6130	0.0	
	<u>\$ 458,262.99</u>	<u>\$ 522,465.08</u>	<u>130,750.46</u>	<u>12,159.60</u>	<u>79,289</u>	<u>850.12</u>	
							241.11
							2036.55
							1,127,558.83
							1957 Gross
							1957 Regt App
							399,000.00

SHA-RSS	ROOMS	(A) FE	Beverage	MGR & Apprs	(A) RS - Cards, Books, Radio-Teloms	Guests-Act	OTHER INC
	39,085.50	42,936.59	11,379.66	10,911.17	92,912.175-236.61		
							NET
							\$ 33,250.00

TOTAL
 \$948,444.85
 NET \$ 33,250.00

1957 Gross \$ 1,127,558.83
 1957 Regt App 399,000.00

*Original
20 Matter
1/7/59*

Copy

TO
Frank Hofues, Jr., Administrator
with-will annexed of the Estate of
Frank F. Hofues Sr, Deceased.
c/O Guy E. Ward
120- El Comino Drive.
Beverly Hills, California.

RE: BAKERSFIELD INN.

Dear Mr. Hofues:-

This letter is intended to set out the oral offer to purchase that certain property known as the Bakersfield INN, Bakersfield, California. here-to-fore presented by Jerry Giesler as counsel for the undersigned to Guy E. Ward, representing you as Administrator of the Estate of Frank F. Hofues Sr.

I. We understand the Bakersfield Inn is encumbered as follows:

(a) Note secured by Deed of Trust payable to the American National Insurance Co. and that the unpaid balance as of October 1st. was the sum of \$1,056,361.32. The monthly payment of principal and Interest is \$9,556.50. Therefore, the unpaid balance after January 1st. 1959 payment is \$1,027,691.82...Our purchase is conditioned upon the assumption of the encumbrance or the proration there-of at close of escrow or consumation of this transaction.

(b) Note payable to the Tomerlins secured by leases in said Bakersfield INN. The Total amount as of October 1st. 1958. was \$794,906.42.. The monthly payment of principal and Interest totals \$4,000.00. There-fore, the balance of January 1st 1959(after the January payment) is \$782,906.42.. Our purchase is conditioned upon the assumption of the encumbrance or the proration thereof at close of escrow or consumation of this transaction...

2. We are to pay you the sum of \$475,000.00. NET for equity in the Bakersfield Property. Based upon encumbrances as above set out, The total purchase price will be \$2,285,598.24..If additional payments are made on the encumbrances referred to in paragraph I above prior the consummation of this transaction, the cash payable will be proportionately increased. Of course, there will be the usual proration of Taxes. and insurance at close of escrow or consumation of this transaction.

3. This purchase for the entire Bakersfield INN property including bothe the real property and furniture, fixtures and equipment thereon situated or that are used in connection with the operation of said property.

4. It is acknowledged that we have the right to purchase all Inventory of foods, beverages or other goods used for service to the public but may be on hand at the close of escrow or upon the consummation of this transaction, and if we elect to do so, that we will pay there-fore invoiced price there-of. Payment therefor will be made

WATCH----WATCH----WATCH-OUT.

Few Notes to Have Jerry include in the Closing.

The so called \$90,000.00. old bills left due when Frank Hofues Sr. passed on. Still unpaid. Purveyors etc.

Also any other bills that are unpaid owing by the present owner Frank Hofues Jr... This includes contracts made by them such as advertising, misc. accts on equipment, and so on. signs.

The bed tax that the City assessed against the Hotels 4%- but being contested now by the Motel and Hotel people. The Hotel people have not paid their tax I understand how-ever, this three months tax is due on Feb. 1st.... See we are protected on this.....

Check thoroughly on accts. that might fall on us.

Note: The Travelers Motel and the Corner of the block the Inn is in can be bought now....See Bill Swiney.

Check;
All linens, blankets, etc. tools in engine room and else where, see that property is not taken out that belongs to the INN..... Food, Liquor

got Oral Clean

Dave J. got clipped
Furno motel.

CLAYTON V. SMITH.
1676-Chester Ave.
Bakersfield, Calif.

mail
99269

NEW YEAR 1959.

DEAR WALTER:-

Raymond
3-1713
Howard

1/30/59
9:30 A.M. Jerry's office - Quota:-

I got Jerry phoned to Ward that
he + I would be in his office + so
he said Jerry you don't really come
on, because there was no other beds
+ you + your clients have the project.
It is accepted. So Jerry tells me
now the judge will have to be after
+ then we must have the money.
The property can be turned over to us.
no. because needed unless we must
the judge can release this which a
can take his time, but Jerry says
ours along with Ward will get it. 5000
How - even Jerry says we have the deal.
I think Jerry means the deposit money
to 1 paid to Cash. Balance and time
given you Walter - 30 days:-

WATCH-----WATCH-----WATCH-OUT.

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All linens, blankets. etc. tools in engine room and else where, see that property is not taken out that belongs to the INN..... Food, Liquor

LAW OFFICE.
GUY WARD.

Copy

January 6th. 1959.

Mr. Jerry Giesler
Atty-at-law.
9200-Wilshire Blvd.
Beverly Hills California.

RE: HOFUES ESTATE.
Bakersfield Inn.

Dear Jerry:

I enclose this suggested form offer to purchase the Bakersfield INN, which is an asset of the above -entitled Estate.

The resident property is an asset of the Estate, but it is not part of the Bakersfield Inn property. The full appraisal has not been returned but I understand the appraisal of this residence by the bank is approximately in the sum of \$22,500.00. It is encumbered in the sum of \$8,473.96. An offer to purchase could be for 90% of the equity..However, since this is a separate asset thereof it will have to be the subject of a separate offer of purchase.

When We we originally started negotiations, the encumbrances were substantially larger, on the INN, and in fact, three payments, November, December, and January, have been made, totalling \$40,669,50., since the October balances that I believe I furnished you on the telephone... Other-wise, I believe the offer is in usual standard form for Hotel property.

Of course, the order confirming sale will provide for title policy and you and I can determine whether or not an escrow is required, but in many sales of hotel properties we have let the auditor's representing the seller and purchaser make our physical inventory and have not felt that an escrow is needed. However, its a matter for you and me to determine.

If there are any questions or suggestions, kindly advise.

With best personal regards.

Yours very truly.

Signed GUY

Guy Ward.

CC; to Mr. Hofues: Mr. Wells.

13.
3/2/10
3

Copy

LAW OFFICE.
GUY WARD.

January 6th. 1959.

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Atty-at-law.
9200-Wilshire Blvd.
Beverly Hills California.

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If there are any questions or suggestions, kindly advise.

With best personal regards.

Yours very truly.

Signed GUY

Guy Ward.

CC; to Mr. Hofues: Mr. Wells.

Original to
Walter 1/7/59

TO:

Frank Hofues, Jr., Administrator.
With-will annexed of the Estate of
Frank E. Hofues Sr, Deceased.
C/O Guy E. Ward.
120- El Comino Drive.
Beverly Hills, California.

RE: BAKERSFIELD INN.

Dear Mr. Hofues :

This letter is intended to set out the oral offer to purchase that certain property known as the Bakersfield INN, Bakersfield, California, here-to -fore presented by Mr. Jerry Giesler as counsel for the undersigned to Guy E. Ward, representing you as Administrator of the Estate of Frank Hofues Sr.

- I. We the undersigned Bakersfield Inn is encumbered as follows:

(a) Note secured by deed of Trust payable to the American National Insurance Co. and that the unpaid balance as of October 1st. was the sum of \$1,056,361.32...The monthly payment of the Principal and Interest was \$9,556.50. There-fore, the balance unpaid after January 1st 1959 payment is \$1,027,691.82...Our purchase is conditioned upon the assumption of the encumbrances or proration there-of at close of escrow or consummation of this transaction.

(b) Note payable to the Tomerlins secured by leases in said Bakersfield Inn, the total amount as of October 1st. 1958 was \$794,906.42. The monthly payments of Principal and Interest totals \$4,000.00., there-fore the Balance of January 1st. 1959 (after January payment) is \$782,906.42... Our purchase

upon the assumption of the encumbrance or the proration there-of at close of escrow or consummation of this transaction.

2. We are to pay you the sum of \$475,000.00. net for equity of the Bakersfield Inn property...Based upon encumbrances as above set out,..the Total price will be \$2,285,598.24...If additional payments are made on the encumbrances referred to in paragraph-I- above prior to the consummation of this transaction, the cash payable will be proportionately increased...Of course, there will be the usual proration of Taxes, and Insurance at close of escrow or consummation of this transaction.

3. This purchase for the entire Bakersfield property the Bakersfield Inn, including both the real property and furniture and fixtures and equipment there-on situated or that are used in connection with the operation of said property.

4. It is acknowledged that we have the right to purchase all inventory of goods, foods, beverages used for service to the public but may be on hand at the close of escrow or upon consummation of this transaction, and if elected to do so, that he will pay there-fore invoiced price there-of... Payment there-fore will be made in cash.
5. We understand there is a resident property that is located near the Bakersfield Inn, that has been previously occupied by the Manager of the Bakersfield Inn...We understand this is a separate asset of the Estate and is encumbered.. We understand that this offer to purchase does not include this residence, but we reserve the right to make a separate offer to purchase said residence.
6. It is acknowledged that no real estate commission is due as a result of this offer to purchase as no real estate broker has been involved in this transaction.
7. We understand that this offer to purchase is conditioned upon the approval of the Superior Court of the State of California, in and for the County of Los Angeles, in the Estate proceedings No. SMP 8589.
8. Cashiers check in the sum of \$47,500.00. is enclosed here-with to be applied upon the purchased price if this transaction is consummated.. Otherwise said check is to be returned to the undersigned.
9. This offer is conditioned upon your acceptance there of within a period of five days (5)

DATED _____

TO:

FRANK HOFUES, Jr., Administrator.
With-will annexed of the Estate
of Frank E. Hofues Sr, Deceased.
C/O Guy E. Ward.
120- El Comino Drive.
Beverly Hills, California.

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undersigned

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(c)

2. We are to pay you the sum of \$475,000.00 net for equity of the Bakersfield Inn net property...Based upon encumbrances as above set out...The total price will be \$2,285,598.24...If additional payments are made on the encumbrances referred to in paragraph -I- above prior to the consummation of this transaction, the cash payable will be proportionately increased...Of course, there will be the usual proration of Taxes, and Insurance at close of escrow or consummation of this transaction.

- 2nd PAGE.
3. The purchase for the entire Bakersfield Inn property, including both the real property and furniture and fixtures and equipment there-on situated or that are used in connection with the operation of said property.
 4. It is acknowledged we have the right to purchase all inventory of goods, foods, beverages used for service to the public but may be on hand at the close of escrow or upon consummation of this transaction, and if elected to do so, that he will pay there-fore invoiced prices there-of...Payment there-fore will be made in cash.
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 8. Cashiers check in the sum of \$47,500.00.is enclosed here-with to be applied upon the purchased price, if this transaction is consumated... Other wise said check is to be returned to the undersigned.
 9. This offer is conditioned upon your acceptance there-of with-in a period of five days (5)

DATED. _____

COPY.

JERRY GIESLER.

January 7th. 1959.

Mr. Clayton V. Smith.
1676-Chester Ave.
Bakersfield, California.

Dear Clayton:

I am enclosing a letter from Guy Ward to me which refers to the little House which was mentioned and the status of it.

I am also and enclosing original and copy of the offer they are submitting to you for signature in refernce to the Bakersfield INN.

I wish you would look these over and, if they are satisfactory, return to me signed by the proper party.

Cordially,

Jerry Giesler.

JC:hf.

CONFIDENTIAL.

TO MAKE ARRANGEMENTS TO NEGOTIATE
THE PURCHASE OF THE
BAKERSFIELD INN

(9/17/58)

Clayton Smith with two associates have made extensive explorations on this property, and are now open to negotiate price for same. I have made one formal call on Mr. Guy Ward who has full authority to make concessions for Mr. Frank Hofues Jr. equity of the INN. I opened the bid at \$250,000.00. for the Hofues interest or equity/ Later I was authorized to add \$25,000.00. cash to the original bid making \$275,000.00. CASH.

The property is held in probate now and has been appraised complete at \$2,340,000.00. the court will sell for a 10% discount or \$1,906,000.00. ..The California State Inheritance Tax Commission, Mrs. Margret Ashe also place Mr. Hofues inheritance at \$342,000.00. on the INN.

The property has had poor operation and management, and was stated in court it needed \$500,000.00. to re-habilitate itself....Also a great deal of business has drifted away, so that it is not making money now.. .. Not much money put back in the pöroperty up keep etc.

AGAINST THE INN.

The first motgage is held by the American National Ins. CO., Dallas, Tex. in the amount of \$1,070,000.00. and the Tomerlin Interest (Original owners) is \$800,000.00.

1/20/50
1020.000

Knowing the Tomerlins we naturally went to Mrs. Tomerlin in confidence, she in turn turned us over to her Atty William Swiney who has full control of their affairs, we then started our deal, Mr. Swiney gave us every co-operation and is anxious to see us make a deal of the Hofues equity. (very confidential)... In the mean time Mr. Ward started towards getting a loan of \$250,000.00. on the property and of course had to get Mr. Swiney's permission, which said loan is with A New York Amousment Co. Mr. Swiney does not approve of same, and states wont allow as it will endanger his Client's interests.

Mr. Ward gave me a price of the Hofues equity at \$1,630,000.00. (which is redicules) and also prices have been given at \$1,200.00. and also \$500,000.00.

CLAIMS.

There is a matter of approximately \$100,000.00. against the INN with local purveyors at the time of Frank Hofues passing, which has never been paid, and which has caused a bade taste locally. In fact a Receiver has been talked but nothing yet.

There is also a \$250,000.00. Capital-Gain deal that has to be settled with Mr. Swiney.

There is also a court settlement with Mr. Frank Hofues Common-law wife of \$150,000.00. \$10,000.00. has been paid. I understand.

Re-financing.

We will re-finance the deal if same is aquired... Arrangements have been all complete relative to a loanon the property... The plans now are to liquidate the American National and also pay Hofues off leaving the Tomerlin Interest in for the time being.

When we get an authorized and satisfactory price we can meet we can go right ahead and close.

The price Mr. Ward gave me is not consistent with the property, as carefully going over facts and figures you could not come out in the black in operating same... I operate the INN and believe I know every angle of same. Mr. Ward must realize he is way out of line on his first quote.

PURVEYORS BILLS.

Clayton Smith can discount the bills that the INN has owed for so long at a considerable saving, so he thinks, he is on friendly terms with these purveyors, as he knows all of them.

By-Passing.

There are several things that will be mentioned, namely to use the new By-passing East side free-way.... The building the new Auditorium on the North end of town... Also the Western and the Travel Lodge, Two large Chain Hotels and Motels have bought into the travel business with two of the newest Motels, right near the INN, and the Western Hotels Chain are building another new Motel North of the INN two blocks on the Hi-way.

The INN has great prospects properly operated with people that are known, and that can bring it back to the local Bakersfield people, as this Place has always been a great source of pride, but not any more as the present people have not worked with the Town people...

NOTE. I just have added a few bad features for the matter of negotiations.

Number 2.

BAKERSFIELD INN.

The price Ward gave me is not consistent with the property as in carefully going over facts and figures you could not come out in operating same.... I operate and know every angle of the INN goodop know and know that while with our operation the INN has

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*copy to
Ginsler &
Swiney*

CONFIDENTIAL.

TO MAKE ARRANGEMENTS TO NEGOTIATE
THE PURCHASE OF THE
BAKERSFIELD INN

(9/17/58)

Clayton Smith with two associates have made extensive explorations on this property, and are now open to negotiate price for same. I have made one formal call on Mr. Guy Ward who has full authority to make concessions for Mr. Frank Hofues Jr. equity of the INN. I opened the bid at \$250,000.00. for the Hofues interest or equity/ Later I was authorized to add \$25,000.00. cash to the original bid making \$275,000.00. CASH.

The property is held in probate now and has been appraised complete at \$2,340,000.00. the court will sell for a 10% discount or \$1,906,000.00. ..The California State Inheritance Tax Commission, Mrs. Margret Ashe also place Mr. Hofues inheritance at \$342,000.00. on the INN.

The property has had poor operation and management, and was stated in court it needed \$500,000.00. to re-habilitate itself....Also a great deal of business has drifted away, so that it is not making money now.. .. Not much money put back in the property up keep etc.

AGAINST THE INN.

The first mortgage is held by the American National Ins. CO., Dallas, Tex. in the amount of \$1,070,000.00. and the Tomerlin Interest (Original owners) is \$800,000.00.

Knowing the Tomerlins we naturally went to Mrs. Tomerlin in confidence, she in turn turned us over to her Atty William Swiney who has full control of their affairs, we then started our deal, Mr. Swiney gave us every co-operation and is anxious to see us make a deal of the Hofues equity. (very confidential)... In the mean time Mr. Ward started towards getting a loan of \$250,000.00. on the property and of course had to get Mr. Swiney's permission, which said loan is with A New York Amusement/Co. Mr. Swiney does not approve of same, and states wont allow as it will endanger his Client's interests.

Mr. Ward gave me a price of the Hofues equity at \$1,630,000.00. (which is ridiculous) and also prices have been given at \$1,200,000.... and also \$500,000.00.

CLAIMS.

There is a matter of approximately \$100,000.00. against the INN with local purveyors at the time of Frank Hofues passing, which has never been paid, and which has caused a bade taste locally. In fact a Receiver has been talked but nothing yet.

There is also a \$250,000.00. Capital-Gain deal that has to be settled with Mr. Swiney.

There is also a court settlement with Mr. Frank Hofues Common-law wife of \$150,000.00. \$10,000.00. has been paid. I understand.

Re-financing.

We will re-finance the deal if same is aquired... Arrangements have been all complete relative to a loan on the property... The plans now are to liquidate the American National and also pay Hofues off leaving the Tomerlin Interest in for the time being.

When we get an authorized and satisfactory price we can meet we can go right ahead and close.

The price Mr. Ward gave me is not consistent with the property, as carefully going over facts and figures you could not come out in the black in operating same.... I operated this INN and believe I know every angle of same, but Mr. Ward must realize he is way out of line on his first price quoted.

CONFIDENCE

Mr. Swiney tells me they are pinched and need money very badly, and states they will come to \$400,000.00. or \$500,000.00. CASH. for their equity.... They are endeavoring to put Swiney into a deal 3rd. Mortgage that would endanger his client... He states he wont go along with that.

PURVEYOR'S BILLS.

Smith can discount the bills that have been so long owing at considerable saving, so he thinks, he knows and is on friendly terms with most of them.

By-passing There are several things that are about to happen that will cut the INN'S earning power considerable, namely the EAST Side, BY-PASS that the State and City have O.K'ed.... The building of the new AUDITORIUM on the North end of Town etc. ... Also the Western M Hotels and the Travel Lodge, Two National Known Hotel chains have bought into the Travel business right near the INN, and the West-ern Hotels is building an new spot just a block from the INN.

You might wonder why we want the INN, but I know what can be done with this property and am well known up thru-out California. The Hofues interests have always gone out of Town for their top employee's such as Texas etc. etc.

NOTE. Am just adding the above bad features for the matter of negotiations.

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TO:

Frank Hofues, Jr., Administrator.
With-will annexed of the Estate of
Frank E. Hofues Sr, Deceased.
C/O Guy E. Ward.
120- El Comino Drive.
Beverly Hills, California.

RE: BAKERSFIELD INN.

Dear Mr. Hofues :

This letter is intended to set out the oral offer to purchase that certain property known as the Bakersfield INN, Bakersfield, California, here-to -fore presented by Mr. Jerry Giesler as counsel for the undersigned to Guy E. Ward, representing you as Administrator of the Estate of Frank Hofues Sr.

I. We the undersigned Bakersfield Inn is encumbered as follows:

(a) Note secured by deed of Trust payable to the American National Insurance Co. and that the unpaid balance as of October 1st. was the sum of \$1,056,361.32...The monthly payment of the Principal and Interest was \$9,556.50. There-fore, the balance unpaid after January 1st 1959 payment is \$1,027,691.82...Our purchase is conditioned upon the assumption of the encumbrances or proration there-of at close of escrow or consummation of this transaction.

9,556.60
5 months
217,784.50
1,027,691.82
9,556.50
1,018,135.32

(b) Note payable to the Tomerlins secured by leases in said Bakersfield Inn, the total amount as of October 1st. 1958 was \$794,906.42. The monthly payments of Principal and Interest totals \$4,000.00., there-fore the Balance of January 1st. 1959 (after January payment) is \$782,906.42... Our purchase

upon the assumption of the encumbrance or the proration there-of at close of escrow or consummation of this transaction.

C. certain cap. gains on note payments

2. We are to pay you the sum of \$475,000.00. net for equity of the Bakersfield Inn property...Based upon encumbrances as above set out,..the Total price will be \$2,285,598,24...If additional payments are made on the encumbrances refered to in paragraph-I- above prior to the consummation of this transaction, the cash payable will be proportionately increased...Of course, there will be the usual proration of Taxes, and Insurance at close of escrow or consummation of this transaction.

3. This purchase for the entire Bakersfield property the Bakersfield Inn, including both the real property and furniture and fixtures and equipment there-on situated or that are used in connection with the operation of said property.

4. It is acknowledged that we have the right to purchase all inventory of goods, foods, beverages used for service to the public but may be on hand at the close of escrow or upon consummation of this transaction, and if elected to do so, that he will pay there-fore invoiced price there-of... Payment there-fore will be made in cash.
5. We understand there is a resident property that is located near the Bakersfield Inn, that has been previously occupied by the Manager of the Bakersfield Inn...We understand this is a separate asset of the Estate and is encumbered.. We understand that this offer to purchase does not include this residence, but we reserve the right to make a separate offer to purchase said residence.
6. It is acknowledged that no real estate commission is due as a result of this offer to purchase as no real estate broker has been involved in this transaction.
7. We understand that this offer to purchase is conditioned upon the approval of the Superior Court of the State of California, in and for the County of Los Angeles, in the Estate proceedings No. SMP 8589.
8. Cashiers check in the sum of \$47,500.00. is enclosed here-with to be applied upon the purchased price if this transaction is consummated.. Otherwise said check is to be returned to the undersigned.
9. This offer is conditioned upon your acceptance thereof within a period of five days (5)

DATED _____

WORLD FAMOUS
BAKERSFIELD INN.

*Not listed
on front*

Mr. Frank Hofues Jr. announces the sale of the BAKERSFIELD INN of Bakersfield, California., to WALTER H. NELSON and CLAYTON V. SMITH.....

Mr. Nelson is an National Known Oil Operator from New York City..... He is now operating in Oklahoma and Texas, He will make his headquarters at the INN.

Clayton Smith is from Bakersfield where he is well Known, as well as all through-out California...He is considered one of the Ace Hotel Men of the West Coast, having owned and operated some of the best Hotel Properties of Utah, Nevada, Arizona, and California.....He will have full and complete charge of operations.

Nelson and Smith are expecting a half million Dollar re-habilitation program which will start at once.

Attorney Guy Ward of the firm of Ward & Heyler, Beverly Hills represented the seller Mr. Frank Hofues Jr..... Mr. Jerry Giesler represented the buyer Walter H. Nelson and The NELSON-SMITH HOTEL COMPANY.

Important papers

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Bradshaw 2-8256.
Crestview 4-5101.

G U Y - E . W A R D .
Attorney At Law.

120-El Comino Dr.
Suite 200.
Beverly Hills Cal.

Hofues

January 6th. 1959.

RE: HOFUES ESTATE.
Bakersfield Inn.

Dear Jerry:-

I enclose this suggested form offer to purchase the Bakersfield Inn, which is an asset of the above -entitled Estate.

The resident property is an asset of the Estate, but it is not part of the Bakersfield Inn property...The full appraisal has not been returned but I understand the appraisal of this residence by the bank is approximately in the sum of \$22,500.00... It is encumbered in the sum of \$8,473.96. an offer to purchase could be for 90% of the equity... However, since this is a separate asset there-of it will have to be the subject of a separate offer of purchase.

When we originally started negotiations, the encumbrances were substantially larger, on the INN, and in fact, three payments, November, December, and January, have been made, totalling \$40,669.50, since the October balances that I believe I furnished you the telephone... Other wise, I believe the offer is in usual standard form Hotel Property.

Of course, the order confirming sale will provide for title policy and you and I can determine whether or not an escrow is required, but in many sales of Hotel properties we have let the auditor's representing the seller and purchaser make our physical inventory and have not felt that an escrow is needed...How-ever, its a matter for you and me to decide.

If there are any questions or suggestions, kindly advise.

With best personal regards.

Yours very truly.

Signed GUY.
Guy E. Ward.

CC: to Mr. Hofues: Mr. Wells.

A true Copy. I/8/59.
cvs.

7-5370
4-9101

GUY E. WARD
Attorney at Law

TO:
FRANK HOFUES, Jr., Administrator.
with-will annexed of the Estate
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(c)

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2nd PAGE.

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9. This offer is conditioned upon your acceptance there-of with-in a period of five days (5)

DATED. _____

735,681.15

Balance Tomerlin
note of CL + Della

David's note is
about 30,000

Total around

4 | 7³65,000

191,250 cap gain tax

956,250 —

Dessus, this note to
buy up. or threaten Sale
by Sweeney

Feb. 9 - off'
H - "

Notes

JERRY GIESLER

ATTORNEY AT LAW

9200 WILSHIRE BOULEVARD

BEVERLY HILLS, CALIFORNIA

*Box 2-3333
Crest. 5-4311*



Swiney

73659 F.A

Mr. Clayton Smith
1676 Chester Avenue
Bakersfield, California

Autograph

Adv. Conv #200.00
mo.

John Tetley
Tetley

D. Unkirk 8-1151

3440 W. Shore Blvd

) papers deal - adv

S.F. + L.A.

affairs

Frank Hofues Jr.

TO MR. CLAYTON SMITH

KAYCO MFG. STATIONERS

For your information

For your comments

Please handle

PLEASE

RETURN

Please take up with me

For your approval

Please file

3-16-59

Mr. Tyler of the Travellers' Motel (adjacent to the Inn) is anxious to contact you or Mr. Nelson about the sale of his property. He must sell the property soon in order to be with his ill father in Fresno. Mr. Tyler's phone is FA 7-3043.

Mr. Don Hall, formerly assistant manager of the El Tejon, would also like to see you in reference to application for employment here. His phone is EX 9-5102, and his address: 1204 Woodrow Avenue, Oildale.

9556.50 AM, NATIONAL

4600.00 PRINC

4950.00 INT

9550.00 5-3/4%

4000. Zomerlin

2365. PRINC

1635 INT

4000 _____

2 1/2%

WE pay only on - PRINCIPAL -
not INT. on Payments made

1/2 Feb. + March? -

1,000,000. ✓

780,000. ✓

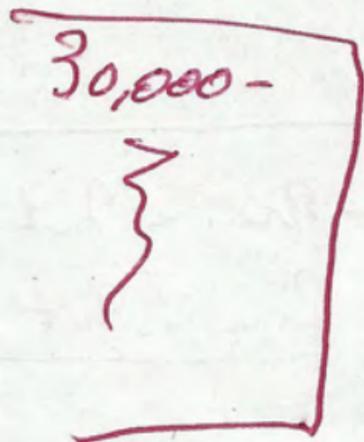
Prin	}	966,500.00 - Prin + Int
		400,000.00 Prin + Int

In settlement be sure
adjust. is on Prin only.

1,000,000.
'985,000

15,000 -

30,000 -

A hand-drawn square box in red ink. Inside the box, there is a wavy, zigzag line.

Clayton V. Smith.
1676- Chester Ave.
Bakersfield, Calif.

Saturday A. M. 1/31/59.

Dear Jerry:-

First I want to thank you for the smooth way every thing went yesterday relative to the acceptance of the NELSON-SMITH offer or bid for the INN. The way you handled the whole procedure was masterful and we are deeply appreciative.

In taking over a hotel property a close survey should be made. I have had the experience of forgotten bills, contracts and many other items that were not included or excluded in the final papers, so I am again going to mention this part of the final papers QOTE: Quote:

It is a well known fact that there are approximately \$90,000.00. of unpaid local and other wise accounts still unpaid, contracted by the Bakersfield INN and left unpaid after Mr. Frank Hofues passed on. These are to purveyors and other parties or business concerns. These bills should be particularly mentioned for payment by the present people Frank Hofues Jr. Also any other bills that are unpaid by the present owner Frank Hofues Jr... This might include contracts made by them, such as advertising, misc accts. on equipment bought on contract. Signs etc.

The bed Tax that the City assessed against the Hotels 4% being contested now by the Motel and Hotels of Bakersfield. I understand the the Hotel people have not paid their Tax. and that there are three months accumulated sums due on Feb. 1st... Please see we are ~~not assessed~~ on this protected

In other words Jerry we do not want to be caught with bills owed by the other people that do not go with our bid..... There are several other items that could be mentioned but you can cover this with your legal language

We are buying the Bakersfield Inn CLEAN, In making the final papers will be glad to be with you and give you any other tho'ts on this situation if you so desire.

Hofues owes the Petroleum Club some money also.

also on 2-Paragraph offer to PURCHASE

If additional payments are made on encumbrances prior to consummation of transaction the cash be proportionately increased - (Excepting from principle only (no int) -

However on this paragraph while this offer was
made + accepted Jan 19th but - Probate Mar 6th

Watch on Contracts Hopurs has made. advertising Bill boards
any agreements what so ever. "Jettay"

Equipment bought + not paid for.
also watch do - office equipment or machines are
to be removed from the Inn.

Inventory (ing. Room

- " Liquor
- " Store Room

The bed for the City annexed and the house at
the hotel and hotel of the hotel.
The bed for the City annexed and the house at
the hotel and hotel of the hotel.
The bed for the City annexed and the house at
the hotel and hotel of the hotel.

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2-Paragraph. off. to the
of a letter fragment over books on
to the Commission of the
of the

2/21.59.

IMPORTANT ITEMS TO CLEAR IMMEDIATELY ON SIGNING.
FINAL PAPERS. AND COMPLETION OF SALE.

The first thing is contacting Loyd Pettegrew or (Kenny Shaffer) Res.
Horwath & Horwath Tel Mich 6395. (Holly 9-9630.)
(Guy Parker of Green. Auditor.)

Contact Elwood Engldue... 5850- Hollywood Blvd. Tel.Holly 9-I96I.

Contact George Brown. Res. 5350 Geary Street. Apt.604-
Tel. Greystone 4-2960. San Francisco.
OR---- Del Paso Country Club. Sacramento
Post Office Box 987- "

Contact. Reuben John Baboian.
Palm Springs Air-port Cafe. P.O.Bx 970.
Steno- Mrs. Bernice A. ~~Wesson~~ Neresesian
546- Paseo El Mirador. Pm Spgs.

Alex Yankovich. Chef at Cal-Neva
Roney Shafer. Hd Bar-man " "

- PUBLICITY
- Contact May Sanders and Walter Kane of the Californian. give interview relative to announcement of Sale.
 - Contact George Popovitch.. Fresno Bee for announcement.
 - " Ham Park. Salt Lake Tribune.
 - " Mrs. Underwood, City Editor H-E. Los Angeles.
 - " Fred Weigel Star Reporter.
 - " Joe Minster., Pacific Coast Record L.A. Arrange for spread.
 - " Walter Kane for a big spread of welcome to us from the purveyors and other Bakersfield business men. Arrange this with Willard Gold (meats) Jimmie Dale., Dale Coffee.
 - Contact SoutherCalifornia Hotel Association. Chester Caldwell.
 - " Northern California " " Harry Troupe
 - " Guy Hall., Contractor General.
 - Cecil Jones. Gunlach Plumbing Co. etc.
 - Contact. Don Bowman., Hacienda Hotel Fresno. Chief Engineer. Residence. I582- North Fruiy Ave. Tel. Amhurst 6-4478.

was born into the Hotel business, his whole family with the exception of his father, all were Hotel people. Clayton Smith's father was the famous Potosi Smith of Nevada. A protégé of the World Noted Engineer, JOHN HAYES HAWKINS. He was one of five men who started and built Las Vegas, Nevada. He also owned the oldest mine in the State of Nevada, THE POTOSI Lead-Silver-Zinc Mine, 18-mile Due West from Las Vegas. This property was a great producer. Potosi Smith also discovered the great waste dump contained many thousand tons of the little known zinc ore which contained 70% oxide of zinc. This discovery opened up many of the mining properties that had discarded this rich ore, in the Yellow Pine Mining District, in and around Good Springs, Nevada. This district became the zinc producing part of the West. He also discovered the first artesian water well and surveyed the Vegas Valley and proved where the under-ground river bed was, a run-off from the Potosi and Charleston Mountains.

Clayton Smith owned and operated Hotels in Salt Lake City at an early age, namely The Windsor, Wilson and the Pinecrest Inn with A. Fred Wey, an noted Hotel man at that time. The family moved to Las Vegas before the Salt Lake Venture and it was here where Smith got his early training with his father. After the Potosi mine was sold the family moved back to Salt Lake City, and it was here where Clayton went into the Hotel business.

He was in both World Wars, after the first W.W. he came to Los Angeles and joined the Hamilton Chain of Hotels (17) as Vice President. The Hamilton Chain dissolved shortly after Smith & his wife had an airplane crash in late 1936. After one year hospitalization he joined Tom Hull who at that time owned the Hollywood Plaza and Roosevelt Hotels, also several others thru-out California. After three years and one half with the Hull Chain he was offered the Managing Director's position at the then new and rejuvenated HOTEL ALEXANDRIA, Los Angeles, which he accepted and stayed with for three years. He then moved to San Diego, and took a lease on the Swanky PARK-MANOR HOTEL, Three Hundred rooms, selling out in 1943 he went to Las Vegas as co-owner of the HOTEL EL RANCHO VEGAS, with Wilbur Clark as a partner. He later sold his interest out here and bought the Los Angeles Hotel Savoy as co-partner with Frank Simpson, Jr. He remained at the Savoy for three years had a good opportunity to sell at a good profit, and at this time had an offer to go back to Vegas at the Flamingo Hotel, this was a very technical deal and when one of the principals died, the deal was off. He then went to Bakerfield with the idea of buying the El Tejon Hotel, but did not do so but stayed and operated this Hotel for the owners two years. A deal for the BAKERSFIELD INN was offered him, he operated this great Hotel for six months but could not arrive at any sort of a deal with the then present owner Frank Fishman. He was offered the operation of the famous Cal-Neva and Biltmore Hotels at Lake Tahoe and remained for the season. While here he was approached by the promoters of the International Spa that was being projected for Las Vegas. He worked on this deal for 18-months, securing the famous and noted Architect PAUL WILLIAMS, also DEL WEBB was engaged as the pull-down etc. Arranged the entire personnel, and all equipment thru-out. He has many contacts the world over, is an enthusiastic flyer, having logged 14,000 flying hours. Was the late Governor James Kephau private pilot for six years (publicity). He had flown many celebrated people that have come to California. Smith belongs to Vegas Lodge 35 masons, Los Angeles Consistory 32nd degree, and a member of Iolan Shrine San Francisco. Fresno American Legion. The various Hotel Associations, also a member of the Jonathan Club Los Angeles, and various luncheon clubs. Smith was educated at St. John's Military Academy, Delfield, Wisconsin and the University of Wisconsin.

Leases not mentioned
in Hofues Petition to see.
are:

If December is the
month of fixing 475000
then buyers will pay

Jan 1st + subsequent
T.D. + Tomelin payments
or ~~also~~ add any such
payments made by sellers.

(? who is liable for the
1958 tax refund to
Tomelinus?)

↑
probably sellers because it
is an increase attributable
to 1958 payment
schedule.)

Buyer name to be furnished.

Will agree to pay 475,000—
for the equity over

1st trust deed &
Tomeilin liens

Fix date for inventory by buyer and
conditional turnover to seller for control
purposes.

Will take subject to: to
1st T. D. & Tomeilin liens

All current bills of operation to
be paid ^{seller} and closing
on standard hotel
sale practice

Prorate all unpaid
items such as taxes, insurance
& comparable

Incl. III Pershing

All licenses etc. included.

Seller to procure necessary
court approval and deal to
be closed in regular escrow
with guarantee of title by seller,
at seller's expense.

Usual customary title & closing
expense split i.e.: 1/2 escrow fee by
each; guarantee by seller, deed costs by seller.
No brokers in deal. no commissions.

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS
DL = Day Letter
NL = Night Letter
LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

LA009 SYA092

SY GDA003 PD GD NEW YORK NY 18 911AME

WALTER NELSON

DEC 18 AM 6 55

HOLLYWOOD KNICKERBOCKER HOTEL HOLLYWOOD CALIF

BAKERS FIELD INN ASSUMING YOU HAVE MARKETABLE AND
ACCEPTABLE TITLE AND BANKING REQUIREMENTS ARE NET THREE
MILLION DOLLARS CAN BE MADE AVAILABLE IMMEDIATELY
HAMILTON

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

out of order

Wm F. Hamilton

December 17, 1959

Bank of America
Beverly Main Office
Beverly Hills, California

Escrow No. 245-11733-L
Attn: Margaret Lind, Escrow Officer
Re - Bakersfield Inn
Walter H. Nelson

Gentlemen:

This is to inform you - and those interested in the completion of the above designated escrow - commitments have been made with Walter H. Nelson - which will total some three millions of dollars (\$3,000,000.00).

These include - a first trust deed, securing a loan upon the properties involved in your escrow - and the taking up and removal of all other prior liens and contracts thereon.

It is also understood that Mr. Nelson has in mind - the acquisition of titles to other properties, to round out and make more workable the present operating program - plus some three hundred and fifty thousand dollars (\$350,000.00) in expenditures in furtherance of a modernization program of the same.

This may be considered as a commitment based upon merchantable title, which will become effective on or about January 5, 1960.

Very truly yours

W. H. Nelson

CC or FC to:
Walter H. Nelson
Crocker-Anglo Nat'l Bank
Jerry Geisler, Esq.
Lionel Campbell, Esq.
Guy E. Ward, Esq.
Frank Hofues

MEMORANDUM
Information
W. H. N.

12/22/59. 9:30. P. M.

Talked to WHN and he received the following Telegram from Mr. William F. Hamilton., 150- West 58th. Street. New York City. N. York.

12/22/59. To Walter H. Nelson... Hollywood Roosevelt Hotel.
5:50 P.M.

... READY TO NEGOTIATE TIME DEPOSIT 10-Million
FOR 1ST NATIONAL BANK OF LAS VEGAS UPON
APPLICATION OF SAID BANK.... ADDRESS ME
150- WEST 58th. Street....New York City. N. Y.
Signed.

William F. Hamilton.

Eddie Questa can get confirmation from Mr. Hamilton 10-Million for Sahara. Sahara Hotel.L.V.

WHN. has arranged to have these funds used or rather ear-marked for use on the Sahara. deal. In this deal will be Eddie Nealis, Walter H. Nelson. and Clayton V. Smith. Ralph Merritt well known in Nevada and is the man who put over the L.A. Transit 40-million Salt to the City of L.A. is and will be connected with our Company.

If you Eddie Questa accepts these funds for long time term deposit same can be for five years and another extension of five years and will loan us what we need on the Sahara Hotel deal, he can keep balance of our account, we will work it out over a monthly pay back.

NEALIS.
The boys will let ~~Nealis~~ take over before the first if arrangements are made now.

Have Questa contact Atty Hamilton in New York.

I am to call Walter and report, Walter will call Hamilton that Questa will contact him, if he accepts transaction. This is Eastern idle capital.

The Bakersfield INN is similar deal and is about completed, we are in possession and expect to get every thing finished up this week.

Call Mr. Eddie Questa in the morning after ten o'clock, Remind Mr. Questa I am Carl Wente's close friend and was the co-owner of the El Rancho with Wilbur Clark.

Walter will call Questa also if need be.

This is the Sahara Hotel at Las Vegas which Nelson Smith & Nealis has a firm commitment of sale..... And a quick turn over can be had.

My partner in the Bakersfield INN and myself along with Eddie Nealis have a deal on the Sahara in Las Vegas and have a firm commitment for \$10 million cash, so would you make a time deposit for the amount at your bank in Vegas, these people are ready to act, this is idle money. This can be verified thru the Atty Mr. William F. Hamilton in New York City, 150 West 58th Street. My partner just received the following telegram this evening.

WHN Roosevelt Hotel Hollywood. 12/22/59...5:55 PM

Ready to negotiate Time deposit 10 Million for 1st National Bank of Las Vegas upon application of said Bank...Address me 150 West 58th St. N. Y. signed William F. Hamilton.

10-Million Time Deposit from W. F. Hamilton for Sahara Hotel, N. Y.

W. F. Hamilton has arranged to have these funds used on various ear-marked for use on the Sahara deal. In this deal will be Eddie Nealis, Walter W. Nelson and Clayton W. Smith. Ralph Nealis will be known in Nevada and is the man who put over the I. I. Transit Corporation for the City of N. Y. and will be connected with the company.

If you do accept these funds for four time term deposits same can be for five years and another extension of five years and will loan us what we need on the Sahara Hotel deal, we can keep balance of our account, we will work it out over a monthly pay back. Nealis will take over before the first if arrangements are made now.

W. F. Hamilton in New York. I am to call Walter W. Nelson, Walter will call Hamilton that Nealis will contact him, if he accepts transaction, this is a cash deal capital.

The Bakersfield INN is similar deal and is about completed, we are in possession and expect to get everything finished up this week.

Call Mr. Eddie Nealis in the morning at 10:00 am or after 12:00 noon. I am Carl Nealis's close friend and was the co-owner of the El Rancho with Walter Clark.

Walter will call Nealis also if need be.

This is the Sahara Hotel in Las Vegas which Nealis and Nealis has a firm commitment of sale..... and a check cash over can be had.

MEMORANDUM
Information

W.H.N. 12/22/59 9:30 P. M.
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If you Eddie Questa accepts these funds for long time term deposit same can be for five years and another extension of five years and will loan us what we need on the Sahara Hotel deal, he can keep balance of our account, we will work it out over a monthly pay back.

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Walter will call Questa also if need be.

This is the Sahara Hotel at Las Vegas which Nelson Smith & Nealis has a firm commitment of sale..... And a quick turn over can be had.

MEMORANDUM
Information

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This can be verified thru- the Atty Mr. William F. Hamilton in New York City, 150- West 58th. Street.

My partner just received the following Telegram this evening.

READY TO NEGOTIATE TIME DEPOSIT 10-MILLION
UPON WHN. ROOSEVELT HOTEL HOLLYWOOD. 12/22/59. ..5.55. P.M.

Ready to negotiate time deposit 10-Million.
for 1st National Bank of Las Vegas. upon application
of said Bank. Address me 150- West 58th. St. N. Y.
signed William F. Hamilton.

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40-million sale to the City of L.A. is and will be connected with
our company.

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of the El Rancho with Wilbur Clark.

Walter will call Nealis also if need be.

This is the Sahara Hotel at Las Vegas which Nelson Smith & Nealis
has a firm commitment of sale. And a pick turn over can be had.

December 18, 1959

Mr. Fred Carlisle
Vice President & Gen'l Manager
Crocker-Anglo National Bank
1731 Chester Ave.
Bakersfield, California

Dear Mr. Carlisle:

I have just been advised by associates, who have been working with me in connection with the senior financing for the Bakersfield Inn, that certain direct communication will be made with you on Monday by Mr. Hamilton, Attorney, in New York or an executive in one of the New York banks.

I requested that they give you as detailed information as may be required for setting up their formula for the furnishing, transmitting, depositing, and servicing of the funds during the period of the loan.

I will be busy in Los Angeles Monday with certain interim financing also in connection with the Inn. It is hoped that this interim financing can be concluded by Tuesday so that I may be able to get back up here during the middle of the week at which time we may be able to meet on the above. If any questions come up in the meantime we should be able to clear them over the telephone. I will be stopping at the Hollywood Roosevelt Hotel.

With kind personal regards and best wishes of the season, I am

Yours respectfully,

WHN:glp

Walter H. Nelson

①

MEMORANDUM AGREEMENT

WHEREAS, WALTER H. NELSON has heretofore purchased that certain property known as the "BAKERSFIELD INN" and escrows are pending in the Bank of America National Trust and Savings Association, Beverly Hills Main Office, Beverly Hills.

WHEREAS, WALTER H. NELSON contends that he has been unavoidably delayed in putting up the balance of the purchase price after delivering the sum of \$47,500.00 as 10% of the bid;

WHEREAS, Purchaser believes that the balance of his funds will be made available to him only after he is in possession of said Bakersfield Inn;

WHEREAS, he is today delivering to FRANK S. HOFUES, JR., or to GUY E. WARD, as his Attorney, the additional sum of \$25,000.00; with the additional \$25,000.00 due on or before August 24, 1959. If the additional \$25,000.00 is not delivered on or before that date this agreement is null and void.

WHEREAS, Purchaser has had representatives at the Bakersfield Inn and had agreed to assume possession as of August 1, 1959;

WHEREAS, in consideration of the payment of said sum of \$50,000.00 to apply on the purchase price, it is deemed desirable to place Purchaser in possession on the standard form hotel management agreement for a period of thirty (30) days;

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants contained herein, and above recited, parties agree as follows:

I

WALTER H. NELSON shall assume possession and the purchase price shall be determined based upon a proration as of August 1,

1959. This management agreement shall be for a period of thirty (30) days from August 17, 1959;

II

Purchaser shall be responsible for, and shall pay to FRANK S. HOFUES, JR., as Administrator of the Estate of Frank S. Hofues, Sr. the following monies for the period commencing August 1, 1959 to September 17, 1959:

(A) Mortgage payment due to American National Insurance Company;

(B) Payments due to the Estate of C. L. Tomerlin, Della Tomerlin and David West Tomerlin

(C) Insurance and taxes

Purchaser shall pay all operating expenses for said period, it being understood and agreed that all operating income shall belong to purchaser.

It is also understood by and between the parties hereto, that the payments referred to in sub-paragraphs A & B herein above, are due and payable on September 1, 1959 and purchaser agrees to make said payments to FRANK S. HOFUES, JR. prior to September 1, 1959, for the payments of the above indicated payments.

III

The sum of \$47,500.00 and the sum of \$50,000.00 shall, upon full performance by Purchaser and upon the consummation of said sale transaction, if concluded within a period of thirty (30) days from the date hereof, apply on the purchase price. Otherwise, said sum shall apply upon the damages determined to be due from Purchaser to FRANK S. HOFUES, Jr. as Administrator of the Estate of Frank S. Hofues, Sr.

IV

Seller shall have the right to have joint control of all expenditures and purchases during the thirty (30) day management agreement.

DATED: August 14, 1959

Walter H. Nelson

WALTER H. NELSON

Frank S. Hofues, Jr.

FRANK S. HOFUES, JR.

Notes have no ^{Maturity} due dates

→ Maturity 11-1-66
1st mtg note

#5; In fact, all organizations.

1. Release from Gypine to come

1/2 Larry & Girl -

Montgomery ~~Salary~~
Bruce ~~Salary~~ 1,000

until \$10,000 is paid

21,087.42
14,000.00
7,087.42
25,000.00
17,912.58
7,087.42
25,000.00
17,912.58
7,087.42

See
Buch page
on back

IMPORTANT DOCUMENTS

Sales Documents

Bakersfield INN

Jerry Giesler - Petition be filed set up spec INT
Notice non Responsibility Contract Possession
Hofues - Nelson dis. of Funds from Escrow
Nelson's photo chks, 25000. 25000. to Guy Ward
Escrow's REAL Estate + Liquor instructions

" Numbers

15 { Giesler letter enclosing Sales. Exception
From Hofues. also David Neuler
letter from Hofues. setting out oral offer Pur.
Memorandum Agreement 50,000. Possession
Document Probate. Court setting aside SAT Judge Lyn CH

① Hofues. memo - 20 Creditors Bakersfield Inn
Default legal Judge Lynett Possession order

~~m~~

Copy of original sales signed + Hofues
accepting Nelsons bid - (originals Chs. Briefs Chs.)
Photo chks. 25,000.00 - 25,000.00

In small folder attached

Leonal letters
mass letter

15

SALE from Hofues to W.H.W
ENCLOSED IMPORTANT



Dear Mr. Ward:

I have reviewed the draft of the agreement between Mr. Frank S. Hopewell Jr. and Walter H. Nelson covering the taking over of the Bakersfield Inn.

It is recommended that upon delivery of my Clients Check, ~~he~~ ~~release him on a state release~~ ~~on the pending~~ ~~suit, and~~

and delivery of the executed release on the pending suit.

- 1. That you write him a letter agreeing to a thirty-day extension of the above mentioned take over agreement in the event that such an extension is ~~needed~~ necessary.

8/14/74
letter dictated to
Mrs. Schaeffer by W.H.N.

ALAN CRANSTON, CHAIRMAN
STATE CONTROLLER
BERT W. LEVIT, VICE-CHAIRMAN
DIRECTOR OF FINANCE
PAUL R. LEA, CHAIRMAN
BOARD OF EQUALIZATION



JOHN J. CAMPBELL
EXECUTIVE OFFICER

1420 17TH STREET
BAKERSFIELD, CALIFORNIA
PHONE: FAIRVIEW 2-0944

State of California
Franchise Tax Board

Total Due:
Year(s):

Your California Personal Income Tax delinquency has been referred to this office for immediate collection action. This is your final opportunity to pay voluntarily.

Failure to remit the above amount within 10 days will result in an order to your employer to withhold the amount due from your salary, the recording of a lien and/or issuance of a warrant to the Sheriff to enforce collection.

Please return this letter with your remittance to insure proper identification.

Very truly yours,

FRANCHISE TAX BOARD
John J. Campbell
Executive Officer

Branch Manager

State

1420 - 17th Franchise + State Inc.

Board of Equalization + Sales Tax
19th + D Streets

Department of Employment
502 20th + Q Sts

EXERCISES OFFICE
1914 2nd CORNER
LIVINGTONS BAY BOULEVARD

Infernal Revenue Dept

1424 17th St

SS. + W.T.

Liquor Stamp Tax

Walter Donald Nelson

DEPT (S)
1904 1904

Salt Lake City, Utah, May 29, 1954.

Dear Rae:

It was very thoughtful of you to remember me on "Mother's Day", which, incidentally, Bert and I spent in Chicago, where we attended Stake Conference with Margaret Whitney Essig and her husband, Lester.

We have been visiting several of the companies Bert represents, and while in Detroit with the American Blower Corporation, we picked up a new car, which we drove to Milwaukee to spend the week-end with Bert's brother, Allen and family. We spend several days with them each year, and very much enjoy their cute family and wonderful friends.

From Milwaukee we drove to Marshalltown, Iowa, where we picked up Dick, who spent a couple of days with the Fisher Governor Company, - another of their manufacturers. And Dick did most of the driving from there home.

Before we left for Chicago on May 5th, Serge came up and spent an evening with us. He explained that he was anxious to get everything straightened out, - and particularly to get some money to you quickly. He brought with him many of the old files, notes, mortgages and cancelled stock certificates; in fact, a lot of things I had never heard of before. I told him that I had always looked forward, some day, to receiving a few thousand dollars from the Estate to give me a little feeling of independence, - but he said that with all of the expenses, interest on mortgages, etc., it just couldn't work out. Furthermore, he said that he was going to mortgage "everything he had" to raise some money so that he could take it down to you, and that he was going to try to get everything settled while with you.

I told him that the amount he had figured out he could give me would mean so little to us that I would prefer to waive all interest and rights I might have, so that he would have a free hand to work out a satisfactory settlement with you. I presume that Serge ~~has~~ told you all about it when he was with you recently. At any rate, I signed the release which Serge brought up just the other night, and thereby transferred back to him the amount (approx. \$600.00) he had intended for me.

I am making this lengthy explanation to you, Rae, so that you will understand that I am not taking a cent, because I want you and all the others to work out a happy and satisfactory settlement which will avoid any misunderstandings and feelings which might otherwise develop.

So much for that. I hope that you are well and happy, - and especially that the new project in Las Vegas will go ahead as you have planned, and that it will prove to be a happy environment and profitable investment for you and Clayt.

It was very cold while Bert and I were in the East, and we both caught heavy colds. However, they are gradually wearing off, and we are feeling better each day.

Love from all of us. Write soon.

Your affectionate sister,

DEPARTMENT

13. The power to control, regulate, or prohibit all games of chance which, in its opinion, are apt to bring the club into disrepute or disrupt harmonious relations between members is reserved to the House Committee, acting through the club manager.

TELEPHONE CALLS

14. Outgoing telephone calls can be made only through the pay telephone located at entrance to the card room and adjacent to Secretary's office. House telephone lines are available only for calls within the Inn and for incoming calls from outside.

GUEST CARDS

15. A member in good standing may extend the privileges of the club to non-members who do not reside in Kern County. A guest card is good for 7 days and renewable for a second period of 7 days. Guest cards secured from Executive Secretary's Office. No person shall enjoy the privileges of a guest card for more than 7 consecutive days and not more than two guest cards shall be issued to the same person in any twelve-month period.

GUEST ACCOUNTS

16. Members shall be held responsible for the unpaid accounts of their guests.

MEMBERS OF AFFILIATED CLUBS

17. Visiting members of clubs which have reciprocal relations with the club shall present their credentials at the Club Office where they will be issued a guest card with renewal privilege.

GUEST PRIVILEGES

18. Guest cards entitle the holders to all the privileges of the club, including the entertainment of guests, but do not entitle them to issue guest cards to others.

PENALTIES

19. Any violations of any of these House Rules may be punished by fine, suspension, or expulsion, by the Board of Directors as provided in the By-Laws.

INDEBTEDNESS

Members of the club who receive bills quarterly should pay such bills on or before the 15th day of the month following the date of the bill.

HOUSE RULES



**THE
PETROLEUM CLUB
OF
BAKERSFIELD**

**BAKERSFIELD INN
1101 UNION AVENUE - BAKERSFIELD, CALIFORNIA
PHONE FAIRVIEW 4-6558**

House Rules

The purpose of these House Rules and regulations is to establish and maintain a standard of service, deportment, and orderly use of facilities of the Club to the end that all members may more fully enjoy the privileges of the Club.

It shall be mandatory upon the Club Management to enforce these House Rules unless and otherwise ordered by the Chairman of the House Committee.

DEFINITION OF MEMBERS

1. "Member" shall mean both Resident and Non-Resident members. The Club shall be at the disposal of all members and their guests during Club Hours.

MEETINGS

2. No meetings shall be held in the Lounge at any time.

RESPONSIBILITY

3. The Club will not be responsible for any personal property brought to or left in the Club Rooms.

BULLETIN BOARD

4. The Bulletin Board shall be used exclusively for the purpose of posting cards, articles, etc. pertaining to the Club and to the Oil and Gas Industry.

IDENTIFICATIONS

5. Upon request by the Manager of the Club or Personnel under his direction, members will be required to display their membership cards and may be refused admission to and use of the premises upon failure to comply with such request.

CLUB HOURS

6. The Club will be open from 11:00 A.M. to 11:00 P.M., except on Sundays and Holidays, and except when otherwise ordered by the Board of Directors. The Club will be closed on the following legal holidays: January 1, February 22, May 30, July 4, Labor Day, Thanksgiving Day, December 25.

BAR HOURS

7. The Bar is open between the hours of 11:00 A.M. and 11:00 P.M. The Bar is operated for the Club and Members sign Chits for their drinks.

HOURS OF SERVICE

Meal service is furnished by the Bokerfield Inn. Luncheon is served from 12:00 Noon until 2:00 P.M. daily, Monday through Friday from a Petrol-eum Club Menu. To expedite service, it is suggested that each member ordering request a

LUNCHEON

check from the waiter and write his order on the front of the check. Member's name and membership number should be signed on the check in a place provided on the check. A 15% gratuity charge will be added on each waiter's check. This policy applies in dining room, game room and lounge.

DINNER

Dinner is served in the dining room between the hours of 6:00 P.M. and 8:30 P.M. Monday through Friday. A 15% gratuity charge will be added to each waiter's check.

LUNCHEON SATURDAY

Will be a la Carte from the Inn Room Service. A 15% gratuity charge will be added to all checks.

RESERVED TABLES

8. Regular and frequent reservations of preferred tables in the dining rooms shall not be allowed; but such tables may be occasionally reserved for members who are entertaining out-of-town guests, except that in no event shall these tables be held after 12:15 P.M.

LADIES

9. Ladies are admitted as guests after 5:00 P.M. on all days. On Saturdays, ladies are admitted as guests during the usual club hours. However, no ladies and no persons under the age of 18 shall be permitted in the game room or bar at any time.

CLUB CHARGES

10. It is the policy of the club for members to sign Chits for food and beverage service rendered in the club.

GRATUITIES

11. Giving gratuities to employees is prohibited. Members violating this rule subject themselves to discipline and insure the prompt discharge of the employees receiving the gratuities.

CLUB EMPLOYEES

12. No employees shall be sent from the club on an errand for a member. No employee shall be reprimanded or in any way be punished by a member. Any inattention to duty or lack of courtesy on the part of a club employee shall be reported to the club management.

DEPORTMENT

Any conduct unbecoming a gentleman will be met with prompt and decisive action. The House Committee is authorized to eject unruly members from the Club premises.

(8)

AGREEMENT

THIS LEASE is made this fourteenth day of January, 1959, by FRANK S. HOFUES, JR., Administrator of the Estate of FRANK S. HOFUES, SR., Deceased, doing business as BAKERSFIELD INN, hereinafter referred to as "the Inn", and THE PETROLEUM CLUB OF BAKERSFIELD, hereinafter referred to as "the Club".

WITNESSETH:

WHEREAS, the Inn operates a modern motel at 1101 Union Avenue, Bakersfield, California, including coffee shop, restaurant, cocktail lounge, and various other facilities commonly found at large, up-to-date motels and hotels; and

WHEREAS, the Club desires to avail itself of the various facilities at said motel for the benefit of its members and guests and have the same available to the members and guests of the Club in a portion of the Inn reserved exclusively for their use and enjoyment;

NOW THEREFORE, IT IS UNDERSTOOD AND AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. During the terms of this agreement the Inn shall reserve and set aside for the sole and exclusive use and enjoyment of the members and guests of the Club the following premises:

Approximately 3,500 square feet of space in the Bakersfield Inn, 1101 Union Avenue, Bakersfield, California, as more particularly outlined in the floor plan prepared by Robert H. Eddy, architect, dated June 21, 1956, a copy of which was attached to lease executed by and between the parties hereto under date of October 14, 1956, as Exhibit "A".

The said described area, hereinafter referred to as the "reserved premises", may be used by the Club for its offices and for dining, cocktail and lounge rooms.

2. The period of this agreement shall be from November 15, 1958, to November 14, 1961; provided, however, that the Club, if its Board of

Directors determines by resolution that it is economically unsound for the Club to continue furnishing club room facilities to its members, may cancel this agreement as of the fifteenth day of any calendar month during the term hereof by first having given written notice to the Inn of such election to so cancel, not less than one hundred twenty (120) days prior to such termination date. This right is conferred upon the Club for the purpose of maintaining its solvency and shall not be exercised by it for any reason other than for its financial protection, and in no event to enable the Club to move its facilities to another location.

3. The Club agrees to pay to the Inn, at 1101 Union Avenue, Bakersfield, California, for the use of the reserved premises the sum of Twelve Hundred Dollars (\$1,200.00) in advance, for each and every calendar month that the Club occupies the reserved premises pursuant to this agreement.

4. It is understood by the parties hereto that a material inducement on the part of the Club and the Inn for entering into this agreement is the prospect that the members and guests of the Club may avail themselves of the reserved premises and will purchase substantial quantities of food and beverages from the Inn. It is therefore understood and agreed, notwithstanding anything herein to the contrary, that there will be an adjustment in the monthly charge for the reserved premises, depending upon the number of persons who, as members or guests of the Club, avail themselves of the various facilities offered by the Inn at the reserved premises. Such adjustment will be made monthly by the mutual agreement of the parties, but in no event will the charge for the reserved premises exceed, for any one month, the sum of Twelve Hundred Dollars (\$1,200.00). In the event the parties are unable to agree with respect to the aforesaid monthly adjustment, nevertheless all of the remaining provisions of this agreement shall remain in full force and effect in the same manner as if this Paragraph 4 were not contained herein.

5. It is understood and agreed that alcoholic beverages will be

furnished to the members and guests of the Club by the Inn, and that in so doing there must be strict compliance by the Inn with all ordinances of the City of Bakersfield, all laws of the State of California, and all rules and regulations of the California Department of Alcoholic Beverage Control. The Club, on behalf of its members and guests, agrees to cooperate with the Inn in carrying out and complying with all of said laws, ordinances, rules and regulations. In this connection it is further agreed that the Inn shall retain possession and control of the reserved premises and every part thereof at all times in order that it can carry out its responsibility for requiring strict compliance with all of said laws, ordinances, rules and regulations, but the Club, its members and guests shall have the use and enjoyment of the reserved premises to the exclusion of all other guests of the Inn.

6. The Club has heretofore adopted written "House Rules", a copy of which has been heretofore delivered to the Inn. Said House Rules set forth and define the rights, privileges and duties of the Club, its members and guests, with respect to the use and enjoyment of the reserved premises and the rights, privileges and duties of the Inn with respect to said premises. Any change, amendment or modification thereof shall be delivered to the Inn prior to its adoption so that if any contents thereof are inconsistent with the policies of the Inn this may be referred to the proper parties on both sides for a suitable modification.

7. The Club has installed in said premises lounge furnishings, bar and card room tables and chairs, television and other furnishings, all of which belong solely to the Club. The Inn has installed in said quarters dining room tables and chairs and serving tables, all of which belong solely to the Inn and the Inn hereby agrees to continue to furnish at no additional cost to the Club said dining room tables and chairs. It is also agreed that a complete and up to date inventory of all furniture and fixtures owned by the Club will be furnished by the Club and made part of this agreement.

8. The Inn shall provide at its own expense the usual janitorial services for said premises, including the vacuuming of floors and the cleaning of windows and woodwork and shall furnish and supply sufficient and adequate janitorial and toilet supplies including towels. The Inn shall

furnish and replace light globes and fluorescent tubes in the standard light fixtures installed in the premises and shall furnish water and electrical current for lighting and ordinary appliances. The Inn shall furnish heating and cooling. The foregoing shall all be furnished by the Inn without additional rent or charge to the Club provided, however, that the Inn shall not be liable for any failure of air conditioning, heating or mechanical appliances or for the failure to furnish any of the services provided for herein due to causes beyond the reasonable control of the Inn.

9. In order that the Club and the Inn shall not become "competitors" for the same parties, it is understood and agreed that all parties held within the Club which are not functions of the Club or of the petroleum industry will be cleared with the Inn manager and approval will not be unreasonably withheld.

10. During the term of this agreement it is understood that the following operating rules will be in effect:

a. The Inn will furnish all dishes, glassware, silverware, linen and other items ordinarily furnished by the Inn in connection with its food and beverage service to its regular patrons.

b. The Club rooms shall be opened to Club members from 11:00 A.M. to 11:00 P.M. Monday through Friday and may be open during such hours or during such other hours between 11:00 A.M. and 11:00 P.M. as the Club's representative and the representative of the Inn shall determine, on Saturday and Sunday.

c. A food and beverage account for each Club member shall be maintained by the Inn and the Inn shall bill each member monthly for such charges and shall request that all payments shall be made to the Inn. The Club agrees to guarantee payment of each member to the end that the Inn shall not suffer any loss by reason of any food or beverage served to Club members in the Club quarters.

d. All routine items, such as menus, menu prices, beverage prices, planning of Club functions, etc. shall be handled as between the Club manager and department heads designated by the Inn manager. Any disputes, divergent policy views, etc. which may arise in connection with the above will be resolved by the Inn manager and the house committee of the club or its designated spokesman. It is understood that the intent of this paragraph is to establish a liaison for the purpose of the utmost cooperation between the Inn and the Club for the successful operation of the Club.

11. Should the Club retain possession of the reserved premises beyond November 15, 1951, such holding shall be on a month to month basis exactly in accordance with the terms and conditions hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

ATTEST:

By: _____

THE PETROLEUM CLUB OF BAKERSFIELD

By: _____

Robert C. [unclear]
President

ESTATE OF FRANK S. HOFUES, SR.,
Deceased, doing business as
BAKERSFIELD INN

By: _____

Frank S. Hofues, Jr.
Frank S. Hofues, Jr., Administrator
subject to approval of Superior
Court of Los Angeles County, State
of California, having jurisdiction
over above named Estate.

3

MEMORANDUM AGREEMENT

WHEREAS, WALTER H. NELSON has heretofore purchased that certain property known as the "BAKERSFIELD INN" and escrows are pending in the Bank of America National Trust and Savings Association, Beverly Hills Main Office, Beverly Hills;

WHEREAS, WALTER H. NELSON contends that he has been unavoidably delayed in putting up the balance of the purchase price after delivering the sum of \$47,500.00 as 10% of the bid;

WHEREAS, Purchaser believes that the balance of his funds will be made available to him only after he is in possession of said Bakersfield Inn;

WHEREAS, he is today delivering to FRANK S. HOFUES, JR., or to GUY E. WARD, as his Attorney, the additional sum of \$ 50,000.00;

WHEREAS, Purchaser has had representatives at the Bakersfield Inn and had agreed to assume possession as of July 1, 1959;

WHEREAS, in consideration of the payment of said sum of \$ 50,000.00 to apply on the purchase price, it is deemed desirable to place Purchaser in possession on the standard form hotel management agreement for a period of thirty (30) days;

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants herein contained, and above recited, parties agree as follows:

I

WALTER H. NELSON shall assume possession and the purchase price shall be determined based upon a proration as of July 1, 1959. This management agreement shall be for a period of thirty (30) days from date hereof.

Penitex

II

The sum of \$47,500.00 and the sum of \$ 50,000.00 shall upon full performance by Purchaser and upon the consummation of said sale transaction, if concluded within a period of thirty (30) days from the date hereof, apply on the purchase price. Otherwise, said sum shall apply upon the damages determined to be due from Purchaser to FRANK S. HOFUES, JR., as Administrator of the Estate of Frank S. Hofues, Sr.,

III

Seller shall have the right to have joint control of all expenditures and purchases during the thirty (30) day management agreement.

DATED: July 23, 1959.

WALTER H. NELSON

FRANK S. HOFUES, JR., Administrator
of the Estate of Frank S. Hofues, Sr.

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WARD & HEYLER
ATTORNEYS AT LAW
120 EL CAMINO DRIVE
BEVERLY HILLS, CALIFORNIA
CRESTVIEW 4-5101
BRADSHAW 2-8256

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Attorneys for Petitioner

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

In the Matter of the Estate of **FRANK S. HOFUES, SR., Deceased.** }
No. EMP 8539 }
PETITION AND MOTION FOR ORDER
VACATING CONFIRMATION OF SALE
OF REAL PROPERTY

TO THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF LOS ANGELES:

Petitioner **FRANK S. HOFUES, JR.,** as Administrator with-will-annexed of the Estate of Frank S. Hofues, Sr., Deceased, respectfully represents:

- 1. That he is the duly appointed, qualified and acting Administrator with-will-annexed of the Estate of Frank S. Hofues, Sr., Deceased.
- 2. That petitioner sold the real property hereinafter-described after notice duly given as required by law, and thereafter, on the 15th day of February, 1959, petitioner made his return of sale and petition for confirmation, asking that the court confirm said sale. The property so sold is situated in the County of Kern, State of California, described as follows:

Lots 10 to 13, both inclusive, in block 1, and lots 1 to 22, both inclusive, in block 2 of California Avenue Park Tract No. 2, in the City of Bakersfield, Kern County, California, as per map recorded March 30, 1925, in book 3, page 115, of Maps in the office of the county recorder of said county.

ALSO all that portion of Tenth Street lying between the easterly line of Pershing Street and the westerly line of Union Avenue, as vacated by Resolution of the Council of the city of Bakersfield,

Attorneys for Petitioner

GUY E. WARD
ATTORNEY AT LAW
120 EL CAMINO DRIVE
BEVERLY HILLS, CALIF.
CRESTVIEW 4-5101
BRADSHAW 2-8256

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(Signature)

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March 5, 1945, under Resolution of Intention No. 845.

EXCEPT FROM lots 10 and 11 in block 2, so much thereof as was conveyed to Standard Oil Company of California, a corporation, by deed dated January 23, 1929, and being more particularly described as follows:

Beginning at a point in the northeast corner of said block; thence southerly along the westerly line of Union Avenue, a distance of 79.55 feet to a point; thence westerly along a line parallel to the southerly line of California Avenue, a distance of 95 feet to a point; thence northerly along a line parallel to the westerly line of Union Avenue, a distance of 79.55 feet to a point; thence easterly along the southerly line of California Avenue, a distance of 95 feet, more or less, to the point of beginning.

3. That upon the hearing of said return and petition for confirmation, the court, after notice duly given as required by law, made its order confirming said sale to Walter H. Nelson for the sum of two million, three hundred and five thousand, six hundred and seventy-one dollars and ninety-nine cents (\$2,305,671.99), subject to the terms and conditions set out in said order confirming the sale, dated April 3, 1959.

4. That Walter H. Nelson, the purchaser at said sale, has since the date of the confirmation thereof neglected and refused to comply with the terms of said sale, even though your petitioner has demanded that such purchaser comply with the terms of his bid and with the terms of the order confirming such sale.

WHEREFORE, petitioner prays for a hearing on this petition and motion, and that the court make its order directing the manner in which and the time for which notice of the hearing on this petition and motion shall be given to such purchaser; and that upon the hearing on this petition and motion, the court make its order vacating the said order confirming sale heretofore made, and confirmed by the court on the 3d day of April, 1959; and that it make its order that the real property herein described be resold.

Dated: December 9th, 1959.

WARD & HEYLER

Frank S. Holmes, Jr. Petitioner

By Guy E. Ward
Attorneys for Petitioner

GUY E. WARD
ATTORNEY AT LAW
120 EL CAMINO DRIVE
BEVERLY HILLS, CALIF.
CRESTVIEW 4-5101
BRADSHAW 2-8256

(Signature)

*Both the verification and proof of service by mail forms, being signed under penalty of perjury, do not require notarization.

4

known as **WARD & HEYLER**
ATTORNEYS AT LAW
120 EL CAMINO DRIVE
BEVERLY HILLS, CALIFORNIA
CRESTVIEW 4-5101
BRADSHAW 2-8256

Attorneys for Petitioner

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF LOS ANGELES

In the Matter of the Estate of **FRANK S. HOFUES, SR.,**)
as Adm Deceased with-Will-Annexed) **RETURN OF SALE OF REAL AND**
) **PERSONAL PROPERTY AS A UNIT**
) **AND LEASEHOLD INTEREST IN**
) **REAL PROPERTY TOGETHER WITH**
) **IMPROVEMENTS THEREON.**

TO THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND
FOR THE COUNTY OF LOS ANGELES:

The return and petition of **FRANK S. HOFUES, JR.,** as Administrator with-Will-Annexed of the Estate of **Frank S. Hofues, Sr., Deceased,** respectfully shows:

The appraiser for this estate has not as yet completed appraising the property belonging to the Estate and for this reason, an inventory and appraisement of the Estate of said decedent has not as yet been filed with the Clerk of this Court; however, the appraiser has appraised the property which is subject of this Return of Sale, and the same will be filed prior to the hearing of this Petition.

That the decedent during his lifetime owned and operated the property known as the "Bakersfield Inn" which is located in the City of Bakersfield, County of Kern, State of California. Said property is used as a motel with shops and is located partly on real property owned in fee by said decedent and partly on leasehold property. That your Petitioner proposes to sell all right, title, and interest of the Estate in the property

WARD & HEYLER
ATTORNEYS AT LAW
120 EL CAMINO DRIVE
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CRESTVIEW 4-5101
BRADSHAW 2-8256

(Signature)

known as the "Bakersfield Inn" including the fee title, the leasehold interests and the furniture and fixtures located thereon.

That it is for the advantage, benefit and best interest of said Estate and those interested therein that the real property, leasehold interests, liquor license and the personal property which is hereinafter described be sold in order that claims against this estate and costs of administration can be paid and further for the reason that the income derived from said property is insufficient to pay the debts of said Estate.

That said personal property has been and now is used on said real property and the same are used as a unit. That in pursuance of the foregoing and in accordance with the provisions of law relative thereto, the undersigned, FRANKS. HOFUES, JR. as Administrator with-Will-Annexed of the said decedent, after notice published according to law, as shown by Affidavit of Publication on file herein, to which reference is hereby made for further particulars on the 30th day of January, 1959, sold at private sale all right, title and interest of this Estate in the "Bakersfield Inn" comprised of the real property, leasehold interests, liquor license and the personal property hereinafter described as a Unit to WALTER H. NELSON, for the sum of Two Million, Three Hundred Five Thousand, Six Hundred Seventy-one Dollars and ninety-nine cents, (\$2,305,671.99) on the following terms:

The real 1. The purchaser is to assume the following encumbrances:

- (a) Note secured by Deed of Trust in favor of American National Insurance Company, a corporation, in the original amount of One Million, One Hundred Fifty Thousand Dollars (\$1,150,000.00) and balance due after the January 1, 1959 payment, in the sum of One Million, Forty-two Thousand Eight Hundred Twelve Dollars and twenty-nine cents (\$1,042,812.29).
- (b) Notes payable to C. L. and Della Tomerlin and David West Tomerlin in the original amount of approximately One Million Dollars (\$1,000,000.00) and the balance due after January 1, 1959 payment is Seven Hundred Eighty-seven

WARD & HEYLER
ATTORNEYS AT LAW
120 EL CAMINO DRIVE
BEVERLY HILLS, CALIF.
CRESTVIEW 4-5101
BRADSHAW 2-8256

(Signature)

*Both the verification and proof of service by mail forms, being signed under penalty of perjury, do not require notarization.

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Thousand, Eight Hundred Fifty-nine Dollars and seventy cents (\$787,859.70). Said notes are secured by leases.

2. Cash payable to this Estate in the sum of Four Hundred Seventy-five Thousand Dollars (\$475,000.00).

In the event additional payments are made on the encumbrances referred to hereinabove, prior to the consummation of said sale, the cash payable will be proportionately increased. Further, said purchaser is to assume said leases. This being the highest and best bid made. Further, your Petitioner has agreed that said purchaser has the right to purchase all inventory of foods, beverages or other goods used for service to the public that may be on hand as of the close of escrow or upon the consummation of transaction. The price for said inventory will be the invoice price thereof and will be paid for in cash.

That within the year last past, said property being sold hereunder was appraised as a Unit in the sum of Two Million, Two Hundred Eighty-five Thousand Five Hundred Ninety-eight Dollars and twenty-four cents (\$2,285,598.24).

That said sale was legally made and fairly conducted and the sum so offered is at least ninety percent (90%) of the sum of the appraised value as a Unit, and Petitioner believes that the sum bid is not disproportionate to the value of the property sold.

The real property, leases and personal property so sold as a Unit is situated in the County of Kern, State of California, and is hereinafter described as follows:

Lots 10 to 13, both inclusive, in Block 1 and Lots 1 to 22 both inclusive in Block 2 of California Avenue Park Tract No. 2, as per map recorded March 30, 1925, in Book 3 Page 115 of Maps, in the office of the County Recorder of said County,

ALSO all that portion of Tenth Street lying between the Easterly line of Pershing Street, and the Westerly line of Union Avenue, as vacated by Resolution of the Council of the City of Bakersfield, March 5, 1945, under Resolution of Intention No. 645;

EXCEPTING from Lots 10 and 11 in Block 2 so much thereof as was conveyed to Standard Oil Company of California, a corporation by deed dated January 23, 1928, and being more particularly described as follows:

TOGETHER with furniture, fixtures, equipment and liquor license

WARD & HEYLER
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120 EL CAMINO DRIVE
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CRESTVIEW 4-5101
BRADSHAW 2-8256

(Signature)

*Both the verification and proof of service by mail forms, being signed under penalty of perjury, do not require notarization.

Beginning at a point in the Northeast corner of said Block; thence Southerly along the Westerly line of Union Avenue, a distance of 78.55 feet to a point; thence Westerly along a line parallel to the Southerly line of California Avenue, a distance of 95 feet to a point; thence Northerly along a line parallel to the Westerly line of Union Avenue, a distance of 78.55 feet to a point; thence Easterly along the Southerly line of California Avenue, a distance of 95 feet, more or less, to the point of beginning.

All interest in Leasehold created by that certain lease dated January 3, 1946, executed by James M. George, as Lessor, and by Irving Nedler and J. W. Fetterman, as Lessees, for the term of 25 years commencing April 1, 1946, recorded August 11, 1947, in Book 1422, Page 355, of Official Records of the County of Kern, California.

The Lessee's interest was assigned to Tomerlin Inns Inc., a corporation, by an assignment recorded August 11, 1947, in Book 1422, Page 336 of Official Records of the County of Kern, California.

The Lessee's interest was assigned to Frank S. Hofues, a married man, by an Assignment dated July 1, 1952, and recorded July 1, 1952 in book 1598 page 7 of Official Records, of the County of Kern, California.

ALSO all interest in Leasehold created by that certain lease dated July 31, 1947, executed by W. E. Fote and Madge D. Fote, husband and wife, as joint tenants, as Lessors, and by Tomerlin Inns Inc., a corporation, as Lessee, for the term of 50 years, commencing August 15, 1947, and ending August 14, 1997, recorded September 25, 1947, in Book 1458, Page 245, of Official Records of the County of Kern, California.

The Lessee's interest was assigned to Frank S. Hofues, a married man, by an Assignment dated July 1, 1952, and recorded July 1, 1952 in book 1598 page 7 of Official Records, of the County of Kern, California.

The lands covered by said Leaseholds are described as follows:

Lots 1 to 8, both inclusive, in Block 8 of the Borgwardt Tract, in the County of Kern, State of California, as per map recorded January 12, 1907, in Book 1, Page 100 of Maps;

ALSO the Westerly 11.25 feet of Wallace Street adjoining said Block on the East and the Northerly 11.25 feet of Eleventh Street adjoining said Block on the South vacated by Order of the Board of Supervisors of the County of Kern on September 29, 1930;

ALSO all of the alley in said Block and as shown upon said Map, vacated by Order of Board of Supervisors of Kern County on December 20, 1948, a certified copy of which order was recorded December 23, 1948;

EXCEPTING from said Lot 3 the Northerly 112 feet thereof and from said Lot 4 the Northerly 103 feet thereof.

TOGETHER with furniture, fixtures, equipment and liquor license

These contents are the property of the United States and should not be distributed outside of your group.

thereon situated or that are used in connection with the operation of said property.

That no real estate commission is claimed.

WHEREFORE, Petitioner prays for a hearing on this Return and Petition; that the Court determine that the property herein described by use or relationship constitutes a Unit for purposes of sale; that the sale of said real property, leasehold interests and personal property as a Unit is for the advantage, benefit and best interest of said Estate and those interested therein, and that the Court make an Order confirming said sale and directing Petitioner as Administrator with-Will-Annexed of said Frank S. Hofues, Sr., deceased, to execute proper conveyances in accordance with the foregoing.

DATED: February 16, 1959.

Frank S. Hofues, Jr.
FRANK S. HOFUES, JR., Petitioner

GUY E. WARD
GUY E. WARD, Attorney for
Petitioner

WARD & HEYLER
ATTORNEYS AT LAW
121 CAMINO DRIVE
SUNNY HILLS, CALIF.
TELEPHONE 4-5101
CASHAW 2-8256

(Signature)

*Both the verification and proof of service by mail forms, being signed under penalty of perjury, do not require notarization.

NOTICE OF NON-RESPONSIBILITY

TO WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN that WALTER H. NELSON is in possession of the BAKERSFIELD INN and operating said premises by virtue of a Management Contract and Agreement to Purchase; that the undersigned, as the present owner of said Bakersfield Inn, hereby gives notice to all whom it may concern that the undersigned, both as an individual and as administrator-with-will-annexed of the Estate of Frank S. Hofues, Sr., deceased, will not be responsible, and that the said Bakersfield Inn property will not be responsible nor liable for any debts whatsoever incurred by the said Walter H. Nelson, his agents, employees, successors or assigns for any work, labor, material, machinery, equipment, furniture, supplies or for any other purchases or contracts of any kind and nature whatsoever furnished or placed upon the said premises.

The legal description of the Bakersfield Inn is as follows:

Lots 10 to 13, both inclusive, in block 1, and lots 1 to 22, both inclusive, in block 2 of California Avenue Park Tract No. 2, in the City of Bakersfield, Kern County, California, as per map recorded March 30, 1925, in book 3, page 115, of Maps in the office of the county recorder of said county.

ALSO all that portion of Tenth Street lying between the easterly line of Pershing Street, and the westerly line of Union Avenue, as vacated by Resolution of the Council of the city of Bakersfield, March 5, 1945, under Resolution of Intention No. 645.

EXCEPT FROM lots 10 and 11 in block 2, so much thereof as was conveyed to Standard Oil Company of California, a corporation, by deed dated January 23, 1928, and being more particularly described as follows:

Beginning at a point in the northeast corner of said block; thence southerly along the westerly line of Union Avenue, a distance of 79.55 feet to a point; thence westerly along a line parallel to the southerly line of California Avenue, a distance of 95 feet to a point; thence northerly along a line parallel to the westerly line of Union Avenue, a distance of 79.55 feet to a point; thence easterly along the southerly line of California Avenue, a distance of 95 feet, more or less, to the point of beginning.

DATED: September 1, 1959.

ESTATE OF FRANK S. HOFUES, SR.,
DECEASED

By Frank S. Hofues, Jr.
Frank S. Hofues, Jr.,
Administrator with-will-annexed of
the Estate of Frank S. Hofues, Sr.,
Deceased.

NOTICE OF NON-RESPONSIBILITY

TO WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN that WALTER H. NELSON is in possession of the BAKERSFIELD INN and operating said premises by virtue of a Management Contract and Agreement to Purchase; that the undersigned, as the present owner of said Bakersfield Inn, hereby gives notice to all whom it may concern that the undersigned, both as an individual and as administrator-with-will-annexed of the Estate of Frank S. Hofues, Sr., deceased, will not be responsible, and that the said Bakersfield Inn property will not be responsible nor liable for any debts whatsoever incurred by the said Walter H. Nelson, his agents, employees, successors or assigns for any work, labor, material, machinery, equipment, furniture, supplies or for any other purchases or contracts of any kind and nature whatsoever furnished or placed upon the said premises.

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DATED: September 1, 1959.

ESTATE OF FRANK S. HOFUES, SR.,
DECEASED

By Frank S. Hofues, Jr.
Frank S. Hofues, Jr.,
Administrator with-will-annexed of
the Estate of Frank S. Hofues, Sr.,
Deceased.

FOR IMMEDIATE RELEASE

BAKERSFIELD, Calif. — Clayton V. Smith, former Las Vegas hotelman, and Walter H. Nelson, New York and Nevada investor, have bought the plush Bakersfield Inn for 2-1/2 million dollars.

The 350-room operation billed as "the largest motel in the world", was sold by Frank Hofues, who has interests in Nevada and Oregon motels.

Another 1/2 million dollars will be spent in expanding the already spacious convention facilities.

Smith, who will be manager, is a former partner of Wilbur Clark's in the Hotel El Rancho Vegas. He bought the Las Vegas operation in 1943 and was later joined by Clark.

Smith sold his interest in the El Rancho Vegas in 1944 but still retains mining investments in Southern Nevada. His father, "Potosi Smith", was a founder of Las Vegas.

Nelson, his present partner, owns mining and oil lands in Northern Nevada.

The Bakersfield Inn has 15 meeting rooms, seating from 50 to 750 persons; five dining rooms, including a 500-seat banquet room, and a 750-seat auditorium with audio equipment. The auditorium is also used as a ballroom.

Built in 1939 by Oscar and C. L. Tomerlin, the resort has a swimming pool and use of nearby riding academies, boating at Lake Isabella, fishing and hunting.

The sons of the Tomerlins, Jim and Bill, now own the New Golden Hotel of Reno.

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CLAYTON V. SMITH.

History from the
Hotel Press.

Was born into the Hotel Business, his whole family with the exception of his Father, all were hotel people. Clayton Smith's Father was the famous Potosi Smith of Nevada. A protege of the Worl famous

Clayton V. Smith.
1676-Chester Ave.
Bakersfield, Calif.

Tuesday 1/20/59.

Dear Mr. Howard:-

I was very happy to hear Walter's and your voices last evening and very glad that every thing is moving in the right way.....

I am mailing all the material you requested, and have endeavored to get things across in my various papers to give you or who ever might read them they tell a story..... The pro-forma statement, I am not satisfied, but at least it shows what the INN has done and can do in a business way.... I did not have the time to make a long analysis so please accept this for the time being.... The rest of the papers I think tell a story.... I have been very careful in stating what the INN will do financially but I have seen the tremendous business it has done, and I feel very sure and confident it can happen again.....For instance this Rancho Bakersfield on the North edge of Town, built with chicken-wire and stucco, the whole thing put up cheap, cheap, 25¢- rooms believe it or not this past year has earned profits of \$450,000.00. and in 1957 earned way over \$367,000.00. this is hard to believe but this man had three things, LIGHTS action, and fair food..... and lousy Motel.... Please pardon this typing but have been on this since 6:00 A.M. want to get this all off early this P.M. I have to go to the Chamber of Commerce to get a map and make the PLOT for you then will finish up.

I am enclosing in this letter the legal notice of sale of the INN which will explain its self... The sale is the 30th. of January, this had to be advertised..... I think Walter and I should probably be with Jerry Giesler at Guy Wards office on the 30th.

I want to thank you for the wonderful nite we spent with your friend in West Hollywood, he is an amazing man, and I like him very much.....

Will cut this short and again with all our kindest tho'ts to you and hope to see you soon..... One thing before I sign off, I was most happy to have Walter tell me he was moving out to make the INN his headquarters right away, I think this would be most wonderful for him and us too, and he could be in the OIL CENTER of the World here and in touch with N.Y. or where ever he wants to be quickly.... He always gives me a lift, my wife likes him very much and she has never made a mistake on people in the past 25-years.

Best to Randy, as I noted in the notes and papers... Randy has my back-ground and copy, also a copy of my sponsors and recommendation. which can be added to this I am mailing you.

TO; John Howard.

Hastily.