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Decision No. 13404.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CAPITAL-SACRAMENTO TRANSFER VAN AND)
STORAGE CO. for permission to issue)
notes and to encumber real property.)

Application Number 9906.

Dunn & Brand, by Chauncey H. Dunn, Jr.,
for Applicant.

BY THE COMMISSION:

OPINION

In this application Capital-Sacramento Transfer Van and Storage Co. asks the Railroad Commission to make an order authorizing it --

1. To execute and deliver to California Trust and Savings Bank a deed of trust covering the north one half of lots 1, 2, 3 and 4 in the block bounded by 20th and 21st and "R" and "S" Streets in the City of Sacramento, to secure the payment of a \$50,000.00 note, and

2. To execute and deliver to California Trust and Savings Bank its promissory note in the principal amount of \$50,000.00 payable one year after date with interest at six percent. per annum, and

3. To execute and deliver to F.C. Warren a mortgage on the west 53-1/3 feet of lot 3 in the block bounded by "I" and "J" and 20th and 21st Streets in the City of Sacramento, to secure the payment of a \$3,000.00 note, and

4. To execute and deliver to F.C. Warren a promissory note in the principal amount of \$3,000.00 payable three years after date with interest at seven percent. per annum.

A public hearing in this matter was held before Examiner Satterwhite in Sacramento.

Capital-Sacramento Transfer Van and Storage Co. is engaged in a warehouse and general transfer business in and about the City of Sacramento. The company reports its gross revenues for the year ending December 31, 1922 at \$67,947.73 and for the year ending December 31, 1923 at \$69,721.48. After paying operating expenses and taxes and providing for depreciation it reports gross corporate income for 1922 at \$6,925.78 and for 1923 \$8,650.12. Deducting interest charges the company reports net income for 1922 at \$2,909.74 and for 1923 at \$5,033.20. Applicant reports its assets and liabilities as of March 1, 1924 as follows:-

A S S E T S

Fixed capital	\$166,145.05
Cash	3,480.30
Stock and bonds	500.00
Accounts receivable	13,558.20
Bills receivable	1,250.00
Other current assets	4,414.89

TOTAL ASSETS \$189,348.44

L I A B I L I T I E S

Capital stock	\$100,000.00
Bills (notes) payable	54,200.00
Accounts payable	1,725.37
Reserve for depreciation	26,970.50
Surplus	6,452.57

TOTAL LIABILITIES \$189,348.44

Of the bills payable \$51,200.00 are reported held by California Trust and Savings Bank and \$3,000.00 by F.C.Warren. Of the \$51,200.00 of bills payable \$50,000.00 were reported issued during 1920 to pay in part for the construction of a five story concrete fireproof storage building 80 x 80 feet in dimension, the total cost

of which is said to have been \$72,000.00. The note in favor of F.C.Warren was issued it appears during 1922 to refund an indebtedness originally incurred about seven years ago to pay in part the cost of a two story brick warehouse 53-1/3 x 90 feet in dimension, the total original cost of which is reported at \$4,500.00.

Applicant now proposes to refund the \$50,000.00 indebtedness in favor of California Trust and Savings Bank and the \$3,000.00 indebtedness in favor of F.C.Warren through the issue of new notes, secured by mortgage or deed of trust of certain of its properties. The note for \$50,000.00 will bear interest at six percent., will mature one year after date, and will be secured by deed of trust, while the \$3,000.00 note will bear interest at seven percent., will mature three years after date and will be secured by mortgage. A copy of the deed of trust and a copy of the mortgage are attached to the application and appear to be in form satisfactory to the Commission.

ORDER

Capital-Sacramento Transfer Van and Storage Co., having applied to the Railroad Commission for permission to execute a deed of trust and a mortgage and to issue two notes in the aggregate amount of \$53,000.00, a public hearing having been held and the Railroad Commission being of the opinion that the application should be granted as provided herein, and that the money, property or labor to be procured or paid for through the execution of such deed of trust and mortgage and the issue of such notes is required by applicant for the purposes specified herein, and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED that Capital-Sacramento Transfer Van and Storage Co. be, and it is hereby, authorized to execute a deed of trust and a mortgage substantially in the same form as those attached to the application and marked Exhibits C and D respectively.

IT IS HEREBY FURTHER ORDERED that Capital-Sacramento Transfer Van and Storage Co. be, and it is hereby, authorized to execute and deliver to California Trust and Savings Bank its one year six percent. note in the principal amount of \$50,000.00 and to execute and deliver to F.C. Warren its three year seven percent. promissory note in the principal amount of \$3,000.00.

The authority herein granted is subject to further conditions as follows:-

1. The authority herein granted to execute a deed of trust and a mortgage is for the purpose of this proceeding only and is granted only in so far as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of such deed of trust and mortgage as to such other legal requirements to which said deed of trust and mortgage may be subject.
2. The notes herein authorized shall be issued to refund the indebtedness of like amount to which reference is made in the foregoing opinion.
3. Applicant shall keep such record of the issue and delivery of the notes herein authorized as will enable it to file a verified report thereof within 30 days after such issue and delivery, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.

4. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$53.00. The notes must be issued on or before June 30, 1924.

DATED at San Francisco, California, this 11th day of April, 1924.

Fee \$ 53.00
APR 15 1924
H. M. Markham

C. Chavoy
H. H. Underhill
Dwight Martin

J. T. Whittier
Commissioners.