

LEM

Decision No. 17084.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
RICHARDS TRUCKING AND WAREHOUSE COMPANY)
for permission to mortgage.

Application No. 12972

ORIGINAL

Lawler and Degnan,
by K. A. Carey, for applicant.

BY THE COMMISSION:

OPINION

In this application Richards Trucking and Warehouse Company asks permission--

1. To execute a first mortgage and to issue its promissory note for \$35,000.00 in favor of Pacific Mutual Life Insurance Company, payable five years after date with interest at six and one half percent per annum;

2. To execute a deed of trust and to issue its promissory note for \$10,000.00 in favor of Rule & Sons Inc. payable in installments of \$300.00 on the first day of each calendar month beginning on January 1, 1927 to and including May 1, 1929 and the balance of \$1,500.00 on June 1, 1929, with interest at seven percent per annum;

3. To execute a deed of trust and to issue its promissory note for \$13,500.00 in favor of Florence E. Richards, payable three years from June 1, 1926, with interest at eight percent per annum.

Richards Trucking and Warehouse Company is a corporation engaged in business as a public utility warehouseman and as a common carrier of freight in and between Los Angeles and certain other points in Southern California and as a local drayage company in Los

Angeles. The record shows that during 1923 the corporation, in connection with its operations, purchased for \$113,000.00, certain real property located at #668 South Alameda Street, upon which it now has its warehouse and terminal, said property being described in the application as follows:-

"Beginning at a point on the easterly line of Alameda Street, which point is one hundred ninety-three (193) feet north three degrees (3°) twenty minutes (20') east from the intersection of said easterly line of Alameda Street with the northerly line of Seventh Street; thence north three degrees (3°) thirty minutes (30') east along said easterly line of Alameda Street one hundred fifty (150) feet to a point; thence easterly on a line parallel with the northerly line of Seventh Street one hundred fifty (150) feet; thence southerly on a line parallel with the easterly line of Alameda Street, one hundred fifty feet (150); thence westerly on a line parallel with the northerly line of Seventh Street, one hundred fifty (150) feet to the place of beginning."

It appears that applicant has executed two trust indentures covering the above described property to secure the payment of an indebtedness in favor of Bank of America in the sum of \$42,379.39, with interest from June 10, 1926, and an indebtedness in favor of Florence E. Richards in the sum of \$13,500., these amounts representing moneys borrowed by applicant to refund indebtedness, to finance the cost of additional property and equipment and to provide for the maintenance and improvement of its service and for other purposes.

In addition to these amounts the company reports that in an action filed in the Superior Court of the State of California, in and for the County of Los Angeles, a judgment was obtained against it in the sum of \$4,601.00, of which there is unpaid at this time \$2,501.00, together with interest from April 27, 1925.

It appears that the company is unable to discharge the total indebtedness at this time and that accordingly it has made the present application to re-finance its trust indebtedness and to obtain additional funds to pay the balance due on the judgment. It is reported that the \$35,000.00 indebtedness in favor of Pacific

Mutual Life Insurance Company will be secured by a first mortgage on the property hereinabove described; the \$10,000.00 indebtedness in favor of Rule & Sons Inc. by a deed of trust subject to the mortgage in favor of Pacific Mutual Life Insurance Company; and the \$12,500.00 indebtedness in favor of Florence H. Richards by a trust deed subject to the first mortgage and deed of trust in favor of Rule & Sons Inc. Copies of the three instruments have been filed with the application and appear to be in satisfactory form.

O R D E R

Richards Trucking and Warehouse Company having applied to the Railroad Commission for authority to execute a mortgage and two deeds of trust and to issue notes, a public hearing having been held before Examiner Williams, and the Railroad Commission being of the opinion that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of the notes is reasonably required by applicant,

IT IS HEREBY ORDERED that Richards Trucking and Warehouse Company be, and it hereby is, authorized, in order to pay or refund the outstanding indebtedness to which reference is made in the foregoing opinion,-

1. To execute a first mortgage, substantially in the same form as that filed in this proceeding, and to issue a note, secured thereby, in favor of Pacific Mutual Life Insurance Company, in the principal amount of \$35,000.00, payable on or before five years after date with interest at not exceeding six and one half percent per annum; and

2. To execute a deed of trust, substantially in the same form as that filed in this proceeding, and to issue a note, secured thereby, in favor of Rule & Sons Inc. in the principal amount of \$10,000. payable in instalments of \$300. on the first day of

each calendar month beginning on January 1, 1927 to and including May 1, 1929, and the balance on June 1, 1929, with interest at not exceeding seven percent per annum; and

3. To execute a deed of trust, substantially in the same form as that filed in this proceeding, and to issue a note, secured thereby, in favor of Florence H. Richards in the principal amount of \$13,500.00 payable on or before June 1, 1929, with interest at not exceeding eight percent per annum.

IT IS HEREBY FURTHER ORDERED that the authority herein granted is subject to the following conditions:-

- a. The authority herein granted to execute a mortgage and deeds of trust is for the purpose of this proceeding only, and is granted only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and the Auto Stage and Truck Transportation Act, and is not intended as an approval of said mortgage and deeds of trust as to such other legal requirements to which said mortgage and deeds of trust may be subject.
- b. The authority herein granted to issue notes shall become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act and Section 6 of the Auto Stage and Truck Transportation Act, which fee is \$59.
- c. Applicant shall keep such record of the issue and delivery of the notes herein authorized and the dis-

position of the proceeds, as will enable it to file, within thirty days after such issue and delivery, a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 3d day of July, 1926.

H. B. Brundage

C. C. Sawyer

Leon Whitely

Commissioners.

