

LEM

Decision No. 13937.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SECURITY WAREHOUSE AND COLD STORAGE)
COMPANY for an order authorizing said)
applicant to execute and issue its)
promissory notes in the aggregate)
principal sum of \$160,000.00, and to)
secure the same by a deed or deeds)
of trust on its real property.)

ORIGINAL

Application No. 14794

J. Q. Patton, for applicant.

BY THE COMMISSION:

O P I N I O N

Security Warehouse and Cold Storage Company has applied to the Railroad Commission for permission to execute a deed of trust and to issue its promissory notes in the principal amount of \$160,000.00 for the purpose of financing the cost of extensions.

The application shows that Security Warehouse and Cold Storage Company is engaged in the business of accepting for storage, for hire from the public generally, all manner of merchandise, and of storing in cold storage, fresh fruits and vegetables, its operation being conducted in the City of San Jose. Heretofore it has been authorized by the Commission, by Decision No. 16896, dated June 11, 1926, to execute deeds of trust on its properties and to issue \$175,000.00 of notes, of which \$95,000.00 are now outstanding.

The company now is extending its facilities. It reports that it has purchased seven and one half acres of land located in the City of Santa Clara lying adjacent to the main tracks of the

Southern Pacific, and is constructing and equipping a cold storage and ice plant, its estimated expenditures being reported as follows;-

Land	\$11,400.00
Cold storage building	96,585.00
Ice storage building	16,713.00
Compressor and tank	52,241.00
Cooling tower and pump	8,186.00
Spur track, roads, scales, etc.	7,200.00
Packing house	22,250.00

Total..... \$214,575.00

To finance in part the above cost, applicant plans to borrow \$60,000.00 from American Trust Company, secured by the deed of trust now existing on its San Jose properties, and \$100,000.00 from J.C. Ainsley Packing Company, to be secured by a new deed of trust on the Santa Clara properties. The \$60,000.00 note will run for one year with interest at six percent and the \$100,000.00 for seven years, with interest at six percent. A copy of the new deed of trust has been filed in this proceeding and appears to be in satisfactory form.

O R D E R

Security Warehouse and Cold Storage Company having applied to the Railroad Commission for permission to execute a deed of trust and to issue \$160,000.00 of notes, a public hearing having been held before Examiner Fankhauser, and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for through the issue of the notes is reasonably required for the purposes specified herein, which purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Security Warehouse and Cold Storage Company be, and it hereby is, authorized to execute a deed of trust substantially in the same form as that filed in this proceeding, provided that the authority hereby given is for the purpose of this proceeding only, and is granted insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust as to such other legal requirements to which it may be subject.

IT IS HEREBY FURTHER ORDERED that Security Warehouse and Cold Storage Company be, and it hereby is, authorized to issue its promissory note for \$60,000.00 payable on or before one year after date, with interest at not exceeding six percent per annum, and its promissory note for \$100,000.00 payable on or before seven years after date, with interest at not exceeding six percent per annum, for the purpose of financing the cost of acquiring and constructing the facilities referred to in the foregoing opinion.

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

1. Applicant shall keep such record of the issue and sale of the notes herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month 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.

2. The authority herein granted shall become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$160.00.

DATED at San Francisco, California, this 26th day of June, 1928.

Leon White

C. C. Sawyer

Edmund G. ...

Thomas G. ...

W. J. ...

Commissioners.

Fee \$160.00
RAILROAD COMMISSION
STATE OF CALIFORNIA
JUN 28 1928
W. J. ...
Fee # 25485