

LBM

Decision No. 20840.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ORIGINAL STAGE LINE, INC.,)
for authority to refund mortgages,)
and to execute trust deeds.)

Application No. 15444

BY THE COMMISSION:

O P I N I O N

Original Stage Line, Inc., a corporation engaged in operating an automobile stage line for the transportation of passengers between Los Angeles and San Fernando, asks the Railroad Commission for permission to execute two deeds of trust and to issue two notes in the aggregate amount of \$33,500.00.

It appears, from records on file with the Commission, that heretofore in 1928, applicant acquired at a cost of \$40,800.00 certain real property located in the City of San Fernando, consisting of five lots and a building which it uses for terminal purposes in that city. By Decision No. 19172, dated December 23, 1927, in Application No. 13771, the company was authorized, in acquiring such properties, to assume the payment of notes aggregating \$35,500.00 (Vol. 30, Opinions and Orders of the Railroad Commission of California, page 907.)

It appears that the indebtedness has been reduced to \$32,900.50. Of this amount the application shows that \$16,950.50 bears interest at the rate of 7.25 percent per annum, \$15,000.00 at the rate of 7.5 percent per annum and the balance at the rate of 8 percent per annum. Applicant reports that it now has the opportunity of refunding its indebtedness through the issue of two seven percent notes aggregating \$33,500.00, secured by deeds of trust upon the terminal property. The proposed increase of \$600.00 in the amount of

its indebtedness is for the purpose of paying for street improvements.

Of the total indebtedness \$27,500.00, payable on February 13, 1932, will be secured by a first deed of trust and the balance, \$6,000.00, payable in monthly installments of \$450.00 will be secured by a second deed of trust. Copies of both instruments have been filed in this proceeding and appear to be in satisfactory form.

O R D E R

Original Stage Line, Inc., having applied to the Railroad Commission for permission to execute deeds of trust and to issue notes, and the Railroad Commission being of the opinion that this is not a matter in which a public hearing is necessary, and that the application should be granted, as herein provided, and that 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 expense or to income,

IT IS HEREBY ORDERED that Original Stage Lines, Inc. be, and it hereby is, authorized to execute a deed of trust substantially in the same form as that filed in this proceeding to secure the payment of a promissory note to John Hancock, or order, in the principal amount of \$27,500.00, payable on or before three years after date of issue with interest at the rate of seven percent per annum, and to execute a second deed of trust, substantially in the same form as that filed in this proceeding, subject to said deed of trust for \$27,500.00, to secure the payment of a promissory note to John G. Casey and T. Milton Erdman, or order, in the principal amount of \$6,000.00, with interest at the rate of seven percent per annum, principal and interest payable in monthly installments of \$450.00, and to issue such notes.

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

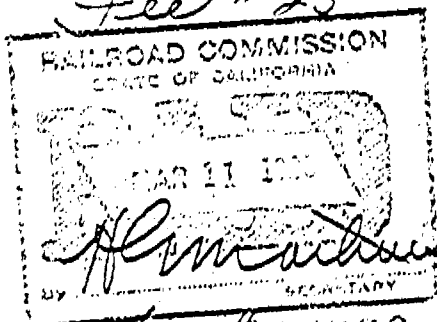
(1) The proceeds to be received through the issue of the \$33,500.00 of notes herein authorized to be issued shall be used to refund the outstanding indebtedness of \$32,900.00 and to finance the street improvement work of \$600.00 referred to in the foregoing opinion.

(2) The authority herein granted to execute 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 is not intended as an approval of said deeds of trust as to such other legal requirements to which they may be subject.

(3) Applicant shall keep such record of the issue of the notes herein authorized and of the disposition of the proceeds as will enable it to file within thirty days thereafter 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.

(4) The authority herein granted will become effective when applicant has paid the minimum fee, as required by Section 57 of the Public Utilities Act, which fee is \$25.00.

DATED at San Francisco, California, this 6th day of March, 1929.



Fee # 11 1929

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
Commissioners.