

Decision No. 21016

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
M. H. GRIFFIN to sell and J. C.)
HORNALL for permission to acquire a)
one-half interest in the Arbuckle)
Warehouse.)

Application No. 15488.



BY THE COMMISSION:

O P I N I O N

In this application as amended M. H. Griffin asks permission to sell and J. C. Hornall to purchase a one half interest in what is known as the "Arbuckle Warehouse" and to issue notes and execute a mortgage.

The Arbuckle Warehouse has been jointly owned by M. H. Griffin and J. C. Hornall, each owning a one half interest. It appears that M. H. Griffin has agreed to sell his half interest to J. C. Hornall on the payment of \$9,350.00 in cash and the assumption by J. C. Hornall of indebtedness in the amount of \$11,300.00 represented by two notes.

The properties in which a one half interest is to be transferred consist of the following:-

"The westerly one hundred and twenty (120) feet of blocks thirty-one (31) and thirty-two (32) as the same are laid down and designated upon a certain map of the town of Arbuckle, on file in the office of the County Recorder of said Colusa County, reference to which is hereby made, and bounded as follows, to wit:

On the west by the lands of the Railroad Company, on the North by Olive St., and land of the Railroad Company; on the South by Eddy Street, on the East by a line one

hundred and twenty (120) feet distant from the west line of said lots thirty-one (31) and thirty-two (32), and parallel thereto, said one hundred and twenty (120) feet to be measured on a line drawn at right-angles with the west line of said lots thirty-one (31) and thirty-two (32) extended easterly from a point which is the south-west corner of lot (31) and the northwest corner of lot thirty-two (32), said easterly line to run from Olive Street southerly until it intersects the west line of Third Street, thence south along west line of Third St., to the southeast corner of said block thirty-two (32),

TOGETHER with the buildings situate thereon known as Arbuckle Grain Warehouse, and scales, trucks, loading elevators and engines and much other personal property now on said premises as is habitually used in the operation of said warehouse, and the business of warehousing in connection with said warehouse."

Applicants report that J. C. Hornall was to assume a secured note in the amount of \$8,500.00 and dated February 21, 1928 and another note for \$2,800.00, dated June 29, 1928, as part of the consideration he was paying for the properties. Information on file with this Commission shows that the two notes were issued originally in 1925 and have been renewed from time to time. Permission to issue renewal notes was not obtained from the Commission. In our opinion the notes are void. Instead of authorizing J. C. Hornall to assume the notes, we will permit him to issue new notes to refund the indebtedness in the amount of \$11,300.00. The Commission has been furnished with a copy of the mortgage which was executed to secure the notes. A mortgage in similar form will be satisfactory.

The Commission has been advised that on April 5th the Arbuckle Warehouse was destroyed by fire. J. C. Hornall, however, has informed the Commission that he intends to immediately rebuild the warehouse and continue in the warehouse business.

O R D E R

M. H. Griffin having asked permission to sell his one half interest in the Arbuckle Warehouse properties, described in the Opinion which precedes this Order, to J. C. Hornall and J. C. Hornall having applied to the Railroad Commission for permission to purchase said one half interest in said Arbuckle Warehouse properties and to issue a note or notes and execute a mortgage, the Commission having considered this application and 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, therefore

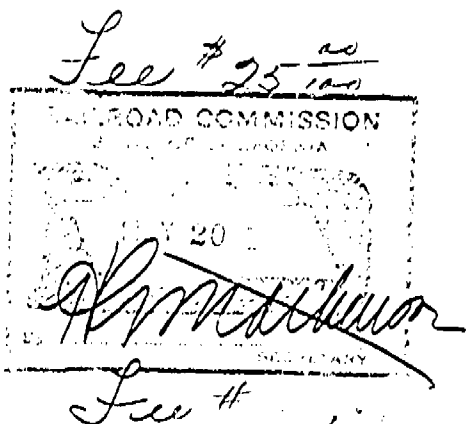
IT IS HEREBY ORDERED that M. H. Griffin be, and he is hereby, authorized to sell his one half interest in the Arbuckle Warehouse properties described in the Opinion which precedes this Order, to J. C. Hornall and J. C. Hornall is hereby authorized to acquire said one half interest and to issue a note or notes for the aggregate sum of not exceeding \$11,300.00 to pay or refund the indebtedness which he has agreed to assume as part of the consideration he has agreed to pay for said warehouse properties. Said note or notes are to bear interest at not to exceed seven percent per annum and to be payable on or before three (3) years after the date of this order. Applicant, J. C. Hornall, may issue a note or notes for a term of less than three years. If he does so, he may renew the same from time to time provided that the maturity date of the last renewal note shall not be later than three years after

the date of this order.

IT IS HEREBY FURTHER ORDERED, that J. C. Hornall may execute a mortgage substantially in the same form as the mortgage filed in this proceeding to secure the payment of said note or notes, provided that the authority herein granted to execute a mortgage is for the purpose of this proceeding only, and is granted in so far as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said mortgage as to such other legal requirements to which said mortgage may be subject.

IT IS HEREBY FURTHER ORDERED, that the authority herein granted will become effective when J. C. Hornall has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars; and that J. C. Hornall shall file with the Railroad Commission within ninety (90) days after the date of this order a report showing the date on which he acquired the one half interest in the Arbuckle Warehouse properties; a copy of the mortgage which he executed under the authority herein granted, and a copy of the note or notes which he issued under said authority.

DATED at San Francisco, California, this 24th day of April, 1929.



Paul S. Lunt
W. A. Sawyer
Leon Whitwell
W. A. Linn

Commissioners.