

Decision No. 21151

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SANTA MARIA VALLEY WAREHOUSE)
COMPANY)
for an order authorizing it to)
borrow money and execute deed of)
trust on its real property to)
secure the same.)

ORIGINAL

Application No. 15626.

Preisker, Goble & Twitchell,
for applicant.

BY THE COMMISSION:

O P I N I O N

Santa Maria Valley Warehouse Company has asked the Railroad Commission to make an order authorizing it to borrow the sum of \$15,000.00, to be evidenced by a note secured by a first deed of trust on its real property.

It appears that Santa Maria Valley Warehouse Company is a corporation organized on or about May 6, 1918, under the laws of the State of California and engaged in the mercantile business and the public utility warehouse business in the City of Santa Maria. In its annual report to this Commission for the year ending December 31, 1928 it reported revenues from sales of goods at \$97,111.15, revenues from storage at \$4,453.00 and revenues from other operations at \$9,374.69, making a total of \$110,938.84. The gross corporate income, after deducting cost of goods sold, operating expenses, taxes and depreciation is reported at \$3,252.81.

The assets and liabilities, as of December 31, 1928,
are shown as follows:-

ASSETS:

Fixed capital	\$75,797.57
Current assets:	
Cash	\$945.52
Notes receivable	509.06
Accounts receivable.	7,835.67
Materials and supplies	742.45
Merchandise inventory.	17,411.90
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Total Current Assets	27,444.60
Deferred debit item	2,518.93
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Total Assets	<u>\$105,761.10</u>

LIABILITIES:

Common stock	\$60,700.00
Current liabilities;	
Notes payable.	\$20,750.00
Accounts payable	2,172.19
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Total Current Liabilities.	22,922.19
Reserve for accrued depreciation	15,297.14
Surplus.	6,841.77
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Total Liabilities	<u>\$105,761.10</u>

The notes payable include the following:-

<u>In favor of</u>	<u>Date Issued</u>	<u>Date Due</u>	<u>Rate of Int.</u>	<u>Amount</u>
Los Angeles First National Trust & Savings Bank	7-18-24	7-18-25	7 %	\$20,000.00
Bank of Italy	10-9-28	1-9-29	7 %	750.00
				<hr/>
<u>Total.</u>				<u>\$20,750.00</u>

The Commission has been advised that the notes were issued to provide working capital.

Applicant now proposes to issue a new note for \$15,000.00 to refund in part the outstanding \$20,000.00 note which is long past due. It reports that it has made arrangements to borrow \$15,000.00 from Security-First National Bank of Los Angeles to be secured by a deed of trust and to be evidenced by a note payable in installments of \$500.00 or more on September 1, 1929, and thereafter, \$500.00 or more on the following dates:-
December 1, 1929; March 1, 1930; June 1, 1930; September 1, 1930;
December 1, 1930; March 1, 1931; June 1, 1932; and the sum of \$11,000.00 on June 1, 1932 with interest at the rate of seven per cent per annum. A copy of the deed of trust is attached to the application and seems to be in satisfactory form.

ORDER

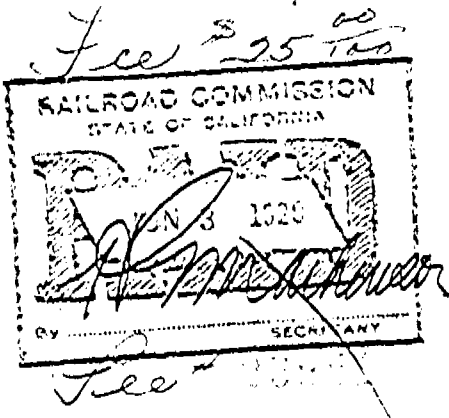
Santa Maria Valley Warehouse Company having applied to the Railroad Commission for an order authorizing the execution of a note and deed of trust, and the Railroad Commission being of the opinion that this is not a matter in which a public hearing is necessary and that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the execution of the note and deed of trust is reasonably required for the purpose specified herein,

IT IS HEREBY ORDERED that Santa Maria Valley Warehouse Company be, and it hereby is, authorized to execute a deed of trust substantially in the same form as that attached to the application herein, and to issue its promissory note, secured thereby, in the principal amount of \$15,000.00, payable as indicated in the foregoing opinion, with interest at the rate of not exceeding seven per cent per annum for the purpose of paying in part its outstanding indebtedness, provided:-

1. That the authority herein granted to execute a deed of trust is for the purpose of this proceeding only, and is granted only insofar as the 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; and
2. That applicant keep such record of the issue of the note herein authorized and of the disposition of the proceeds as will enable it to file within thirty (30) 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, and

3. That the authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

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



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Commissioners.