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Decision No. 21804 .

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
OAKLAND-SAN JOSE TRANSPORTATION CO.,)
a corporation, for permission to)
purchase property and issue evidence) Application No. 16055
of, and securities for, indebtedness.)

J. W. O'Neill, for applicant.

BY THE COMMISSION:

O P I N I O N

Oakland-San Jose Transportation Co., a corporation engaged in the business of operating auto trucks for the transportation of freight, has applied to the Railroad Commission for permission to execute two deeds of trust and to issue two notes in the aggregate amount of \$18,500.00, and to enter into a conditional sale contract for the purchase of a truck.

The application shows that the company for its office, warehouse and terminal purposes now is using, under rental arrangements, certain property situated in the City of Oakland, County of Alameda, State of California, and more particularly described as follows:-

BEGINNING at the point of intersection of the southern line of Fourth Street with the eastern line of Webster Street; and running thence easterly along said southern line of Fourth Street 75 feet; thence southerly and parallel with said eastern line of Webster Street 100 feet; thence westerly and parallel with said southern line of Fourth Street 75 feet to said eastern line of Webster Street; and thence northerly along said eastern line of Webster Street 100 feet to the point of beginning.

Being Lots Numbered 5, 6, 7 and 8, in Block Numbered 33, as said lots and block are laid down and designated on Kellersberger's Map of Oakland, on file and of record in the office of the County Recorder of said Alameda County."

It appears that applicant has made arrangements to purchase the properties for the sum of \$21,000.00. To finance in part the purchase price, it proposes to issue to American Trust Company its note for \$12,500.00, to be secured by a deed of trust on the properties, and to I. Schultz its note for \$6,000.00, to be secured by a second deed of trust on said properties.

A copy of the proposed \$12,500.00 note is filed in this proceeding as Exhibit "C". It is dated September 13, 1929, bears interest at the rate of six percent per annum, and is, according to its terms, payable as follows;- Thirty-five and 42/100(\$35.42) Dollars on the 30th day of September, 1929, to be applied to the payment of interest accrued on said loan, and Sixty-two and 50/100(\$62.50) Dollars on the 30th day of October, 1929, to be applied to the payment of interest accrued on said loan; one hundred twenty-five and no/100 (\$125.00) Dollars thereof, including interest, on the 30th day of November, 1929, and One Hundred and twenty-five and no/100 (\$125.00) Dollars thereof, including interest, on the 30th day of each and every month thereafter until the 30th day of August, 1930; One hundred fifty and no/100 (\$150.00) Dollars thereof, including interest, on the 30th day of September, 1930, and One hundred fifty and no/100 (\$150.00) Dollars thereof, including interest, on the 30th day of each and every month thereafter until the 30th day of February, 1931; One hundred seventy-five and no/100 (\$175.00) Dollars thereof, including interest, on the 30th day of March, 1931, and One hundred seventy-five and no/100 (\$175.00) Dollars thereof, including interest, on the 30th day of each and every month thereafter until the 30th day of July, 1931; One hundred twenty-five and no/100

(\$125.00) Dollars thereof, plus interest, on the 30th day of August, 1931, and on the 13th day of September, 1931 the unpaid balance of said principal sum, with the unpaid interest due thereon, shall become due and payable. The \$6,000.00 note will bear interest at the rate of seven percent per annum and will be payable in installments of \$3,500.00 on September 16, 1930, and \$2,500.00 on September 16, 1931. Copies of the notes and of the deeds of trust securing their payment have been filed in this proceeding and appear to be in satisfactory form.

Applicant desires also, at this time, to execute a conditional sale contract providing for the payment to The White Company of \$6,444.00 of the purchase price of a new Model 54 White Truck, payment to be made in eighteen monthly installments of \$358.00. The total price of the truck, equipped for use by applicant, is approximately \$10,500.00.

ORDER

Oakland-San Jose Transportation Co., having applied to the Railroad Commission for authority to execute deeds of trust and notes, and a conditional sale contract, a public hearing having been held before Examiner Fankhauser, 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 execution of the deeds of trust, notes and conditional sale contract, is reasonably required for the purpose specified herein, which purpose is not in whole or in part reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED that Oakland-San Jose Transportation Co. be, and it hereby is, authorized to execute a deed of trust substantially in the same form as that filed with the application as Exhibit "D" and to issue its promissory note secured thereby in the principal amount of \$12,500.00, payable as indicated in the foregoing opinion, with interest at the rate of six percent per annum, and to execute a second deed of trust, substantially in the same form as that filed as Exhibit "F", and to issue its promissory note secured thereby in the principal amount of \$6,000.00, payable as indicated in the foregoing opinion, with interest at the rate of seven percent per annum, and to use the proceeds to be obtained through the execution of the deeds of trust and the issue of the notes to finance in part the cost of property referred to in this application.

IT IS HEREBY FURTHER ORDERED that Oakland-San Jose Transportation Co. be, and it hereby is, authorized to execute and enter into a conditional sale contract in the same form as that filed as Exhibit "G", providing for the payment of \$6,444.00, in eighteen monthly installments of \$358.00, to finance in part the cost of a new White Truck.

The authority herein granted is subject to the following conditions:-

(1) 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 the Auto Stage and Truck Transportation 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.

(2) 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.

(3) The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section "6" of the Auto Stage and Truck Transportation Act, and Section "57" of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 19th day of November, 1929.

Thos. J. Louch

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Leon A. White

W. P. Am

Commissioners.

Fee \$25⁰⁰/₁₀₀

RAILROAD COMMISSION
STATE OF CALIFORNIA

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H. M. Mikes
SECRETARY

Fee # 21301