

Decision No. 21881

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 TARKE WAREHOUSE COMPANY,)
 a corporation, for an order author-)
 izing it to encumber public utility)
 property by deed of trust.)

ORIGINAL
 Application No. 16128

Rich and Weis, for applicant.

BY THE COMMISSION:

O P I N I O N

Tarke Warehouse Company has applied to the Railroad Commission for permission to execute a deed of trust and to issue two notes, secured thereby, in the aggregate amount of \$10,000.00 for the purpose of refunding outstanding indebtedness.

It appears that Tarke Warehouse Company is a corporation engaged in the business of public warehousing at Tarke Station, Sutter County. The company reports outstanding \$23,000.00 of common stock and \$11,000.00 of 7 percent notes, payable to the Bank of Italy National Trust and Savings Association, consisting of a one year note for \$10,000.00 dated December 16, 1924 and a three months note for \$1,000.00 dated July 30, 1929. It reports its assets and liabilities, as of October 31, 1929, as follows:-

ASSETS

Plant and equipment.....	\$43,442.42
Securities of other corporations.....	5,000.00
Cash.....	572.21
Accounts receivable.....	20,677.61
Total Assets.....	<u>\$69,692.24</u>

LIABILITIES

Capital stock.....	\$23,000.00
Notes payable.....	11,000.00
Accounts payable.....	16,592.60
Reserve for depreciation.....	9,133.82
Surplus.....	9,965.82
Total Liabilities.....	<u>\$69,692.24</u>

Applicant commenced its operations at Tarke during May, 1925, purchasing from C. H. Straub and H. B. Marshall certain lands, building and equipment which theretofore had been acquired or constructed by them at a reported cost of \$23,000.00. In purchasing such properties, the corporation issued \$13,000.00 of its common capital stock and assumed the payment of a \$10,000.00 deed of trust and note, dated December 16, 1924, and due December 16, 1925, which had been issued by C. H. Straub and H. B. Marshall and was a lien on the warehouse properties.

The \$10,000.00 indebtedness, still outstanding, is long past due and applicant desires to issue new notes in the same aggregate amount to pay and discharge it. Arrangements have been made to execute a deed of trust and to issue to the Bank of Italy National Trust and Savings Association two notes for \$5,000.00 each, one payable ninety days after date of issue and the other, one year after date of issue, payment of both to be secured by a deed of trust upon the company's real property in Sutter County. The proposed deed of trust, a copy of which is filed as Exhibit "B", appears to be in satisfactory form.

ORDER

Tarke Warehouse Company having applied to the Railroad Commission for an order authorizing it to execute a deed of trust and notes, and the 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 deed of trust and notes 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,

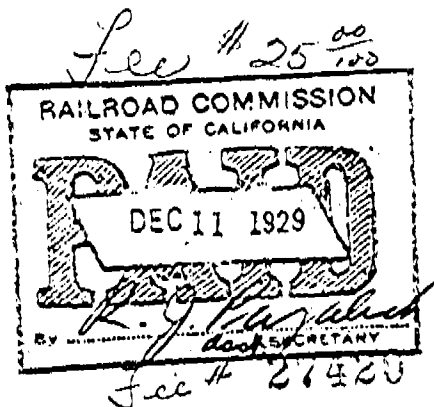
IT IS HEREBY ORDERED that Tarke Warehouse Company be, and it hereby is, authorized to execute a deed of trust substantially in

the same form as that filed with the application herein as Exhibit "B", and to issue its two promissory notes in the aggregate principal amount of \$10,000.00, bearing interest at not exceeding 7 percent per annum, one note to be payable ninety days after date of issue and the other, one year after date of issue, for the purpose of paying or refunding the \$10,000.00 note now outstanding.

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

1. Applicant shall keep such record of the notes herein authorized 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.
2. The approval herein given of said deed of trust is for the purpose of this proceeding only and an approval 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 said deed of trust may be subject.
3. 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 \$25.00.

DATED at San Francisco, California, this 7th day of December, 1929.



David L. [unclear]
Chas. [unclear]
Leon [unclear]

Commissioners.