

Decision No. 22706.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
MOTOR FREIGHT TERMINAL COMPANY)	
for permission to execute a note)	Application No. 18726
secured by a deed of trust.)	

O'Melveny, Tuller and Myers, for applicant.

BY THE COMMISSION:

OPINION AND ORDER

Motor Freight Terminal Company, a corporation engaged in the business of transporting freight by auto truck in the southern part of the state, asks permission to issue a six percent note for \$85,000.00 due two and one half years after date, secured by a mortgage, and three 8 percent notes in the aggregate amount of \$71,000.00, secured by a second deed of trust, for the purpose of refunding outstanding indebtedness.

The application shows that the company is the owner of certain real estate in the City of Los Angeles, described as Lots 213 to 219, both inclusive, of Mills' Wicks Extension of Second Street and adjoining subdivision. It appears that the property is improved with a two storied building, the first floor of which is used by applicant as a freight terminal and the second floor is leased at a monthly rental of \$2,000.00. The cost of the properties to the

company is stated at \$310,000.00. At present it is subject to the following liens:-

- (a) A note for \$85,000.00, secured by a deed of trust, said note being in favor of Citizens Trust and Savings Bank, dated February 19, 1925, bearing interest at 7%, principal and interest now past due;
- (b) A series of notes in favor of H. J. Cole payable in installments of \$2,000.00 on the 1st day of each month, the original amount of which was \$193,000., and the present amount of which is \$71,000.00, said notes being secured by a deed of trust, the lien of which is second and subject to the lien of the deed of trust mentioned under item(a) hereof.

Applicant now desires to execute new encumbrances to take the place of those set forth above and to that end has made arrangements to issue to Security First National Bank of Los Angeles its six percent two and one-half year note for \$85,000.00, to be secured by a mortgage on the properties, and to issue to H. J. Cole, three 8 percent promissory notes, aggregating \$71,000.00, secured by a second deed of trust; one note for \$22,000.00 being due in monthly installments of \$2,000.00 beginning August 1, 1930; one for \$24,000. being due in monthly installments beginning July 1, 1931; and one for \$25,000.00, being due in monthly installments of \$2,000.00, beginning July 1, 1932 for a period of eleven months, with a payment of \$3,000.00 being due on the twelfth month. Copies of the instruments securing the payment of the notes have been filed and appear to be in satisfactory form.

It appears to the Commission that this is not a matter in which a public hearing is necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through 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, therefore,

IT IS HEREBY ORDERED that Motor Freight Terminal Company be, and it hereby is, authorized to execute a mortgage, substantially in the same form as that filed in this proceeding on July 23, 1930 and to issue its promissory note, secured thereby, in the principal amount of \$85,000.00, due two and one half years after date of issue with interest at not exceeding six percent per annum, for the purpose of refunding the indebtedness of like amount now outstanding.

IT IS HEREBY FURTHER ORDERED that Motor Freight Terminal Company be, and it hereby is, authorized to execute a deed of trust substantially in the same form as that filed in this proceeding on July 23, 1930, and to issue its three promissory notes, secured thereby, in the aggregate principal amount of \$71,000.00, payable as set forth herein, for the purpose of refunding the indebtedness of like amount now outstanding.

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

- (1) The authority herein granted to execute a mortgage and a deed 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 Auto Stage and Truck Transportation Act, and is not intended as an approval of said mortgage and said deed of trust as to such other legal requirements to which they may be subject.
- (2) Applicant shall file with the Commission within thirty days after the issues made of the notes herein authorized, 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 fee prescribed by Section six of the Auto Stage and Truck Transportation Act, which fee is One Hundred and Fifty-six (\$156.00) Dollars.

DATED at San Francisco, California, this 25th day of July, 1930.

Al Seiner
Francis Scott

W. J. Carr
Commissioners.

Fee \$ 156.⁰⁰/₁₀₀
RAILROAD COMMISSION
JUL 28 1930
W. J. Carr
Fee # 25372