

LEM

Decision No. 24484.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
HOLLYWOOD STORAGE COMPANY
to sell to BEKINS VAN & STORAGE COM-
PANY and of Bekins Van & Storage
Company to purchase from Hollywood
Storage Company certain real property
and personal property including ware-
house and public utility rights, also
of Bekins Van & Storage Company for
authority to lease to Bekins Van
Lines, Inc. all of its public utility
operative rights as taken over from
Hollywood Storage Company.

Application No. 17915

ORIGINAL

BY THE COMMISSION:

OPINION

In this proceeding Hollywood Storage Company, a corporation, asks permission to sell its properties described in Exhibit "A" filed in this proceeding, to Bekins Van & Storage Company, which in turn asks permission to lease the operative rights, together with certain floor space which it will acquire from Hollywood Storage Company, to Bekins Van Lines, Inc. A copy of the proposed lease is filed in this proceeding as Exhibit "B".

Hollywood Storage Company is engaged in operating a public utility warehouse in Los Angeles. The Bekins Van & Storage Company owns warehouses in Los Angeles, San Francisco, Oakland, Berkeley, Fresno, Sacramento and San Diego, and leases space in such warehouses to Bekins Van Lines, Inc.

From Decision No. 22213, dated March 18, 1930, in Application No. 16315, it appears that Hollywood Storage Company was organized on or about July 8, 1915. Although this company was organized in 1915, it did not come under the jurisdiction of the Commission until 1927. It further appears from that decision that during 1925 the company constructed the building which it now occupies at a cost of about \$700,000.00 and that such cost was financed through the issue of \$400,000.00 of bonds and the issue of a demand note secured by a second deed of trust to C. E. Toberman Company for the balance. During the three year period ended December 31, 1930, the company's revenue from its public utility business has averaged about 5-1/2 percent of its total operating revenue.

Hollywood Warehouse Company has agreed to sell its warehouse properties, together with the warehouse equipment, described in Exhibit "A", to Bekins Van & Storage Company, for \$385,000.00, of which \$55,000.00 will be paid in cash and the balance by the assumption of \$330,000.00 of outstanding bonds. In addition, Bekins Van & Storage Company will acquire accounts receivable of Hollywood Storage Company in the amount of \$25,000.00, for which accounts receivable it will pay the sum of \$25,000.00. The agreement of sale contains certain terms and conditions which may modify to some extent the aforesaid consideration. The real properties which are being sold are described as follows:

All that certain real property situated in the city of Los Angeles, county of Los Angeles, state of California, more particularly described as follows:

PARCEL 1. Those portions of Lots 3, 4 and 5 of Tract No. 4685, as per map recorded in Book 51, at Page 13 of Maps, Records of said Los Angeles County, more particularly described as follows:

Beginning at a point in the Easterly line of said Lot 5, distant South 0° 00' 30" East 10.00 ft. from the Northeasterly corner thereof; thence North 0° 00' 30" West along the Easterly line of Lots 5 and 4, 61.75 ft. to a point; thence South 89° 54' 30" West 132.26' to a point; thence North 0° 00' 30" West 88.87' to a point; thence South 89° 54' 30" West 157.24' to a point in the Westerly line of Lot 3, thence South 0° 00'

30" East along said Westerly line of Lots 3 and 5, 150.62' to a point in the Westerly line of Lot 5, said point being distant South 0° 00' 30" East 10.00' from the Northwesterly corner of Lot 5; thence North 89° 54' 30" East 289.5' to the point of beginning.

PARCEL 2. The Northerly 48.44 ft. of the Easterly 58.84 ft. of the Westerly 39.24 ft. of Lot 4 of Tract No. 4685, as per map recorded in Book 51, Page 13 of Maps, Records of said Los Angeles County.

Situated on the above property are:-

- Building #1- 14-story reinforced concrete warehouse containing 152,290 square feet.
- Building #2- 1-story for loading and unloading containing 7,025 square feet.
- Building #3- 1-story garage containing 7,565 square feet.

Upon the acquisition of the aforesaid properties, Bekins Van & Storage Company intends to lease the operative rights which it will acquire from Hollywood Storage Company, to Bekins Van Lines, Inc., under the terms and conditions of the lease filed in this proceeding as Exhibit "C". It will also lease to Bekins Van Lines, Inc. such floor space as the latter may need to conduct its public utility operations. Bekins Van & Storage Company owns all of the outstanding stock of Bekins Van Lines, Inc. The lease provides that Bekins Van Lines, Inc. will pay to Bekins Van & Storage Company as rent, all of its net income which it will realize from the operation of the aforesaid properties. This lease is similar in terms to the lease under which Bekins Van Lines, Inc. is operating other properties owned by Bekins Van & Storage Company.

O R D E R

Hollywood Storage Company having asked permission to sell the properties described in its application to Bekins Van & Storage Company, and Bekins Van & Storage Company having asked to lease certain properties to Bekins Van Lines, Inc., the Commission having

considered the request of applicants and being of the opinion that no public hearing is necessary in this matter and that this application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED as follows:

1. Hollywood Storage Company may sell and transfer to Bekins Van & Storage Company the properties described in Exhibit "A" filed in this proceeding, said properties to be sold and transferred subject to the provisions of the agreement filed in this proceeding as Exhibit "A".
2. Upon the acquisition of the aforesaid properties, Bekins Van & Storage Company may lease to Bekins Van Lines, Inc. the operative rights and certain floor space which it will acquire from Hollywood Storage Company, said rights and floor space to be leased under the terms and conditions of the lease filed in this proceeding as Exhibit "C".
3. Hollywood Storage Company and Bekins Van Lines, Inc. shall unite in common supplement to the tariffs on file with the Railroad Commission in the name of Hollywood Storage Company, applicant Hollywood Storage Company withdrawing and applicant Bekins Van Lines, Inc. adopting such tariffs and all effective supplements thereto as its own.

The authority herein granted will become effective fifteen (15) days after the date hereof.

CORRECTION

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THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

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IT IS HEREBY ORDERED as follows:

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2. Upon the acquisition of the aforesaid properties, Bekins Van & Storage Company may lease to Bekins Van Lines, Inc. the operative rights and certain floor space which it will acquire from Hollywood Storage Company, said rights and floor space to be leased under the terms and conditions of the lease filed in this proceeding as Exhibit "C".
3. Hollywood Storage Company and Bekins Van Lines, Inc. shall unite in common supplement to the tariffs on file with the Railroad Commission in the name of Hollywood Storage Company, applicant Hollywood Storage Company withdrawing and applicant Bekins Van Lines, Inc. adopting such tariffs and all effective supplements thereto as its own.
4. The authority herein granted will become effective fifteen (15) days after the date hereof.

5. Under the authority herein granted no properties
may be sold and transferred, and leased after
June 1, 1932.

DATED at San Francisco, California, this 15th day of
February, 1932.

C. L. Leary
Leonard
W. A. Lee
M. B. Harris
Frederic G. Stewart
Commissioners.