

LBM

Decision No. 21124.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ZIMMERMAN BROS.,)
a co-partnership, to issue notes and)
other evidences of indebtedness and) Application No. 18124
secure the same by trust deeds and)
mortgage on real property.)

Jesse Bach Porter, for applicants.

BY THE COMMISSION:

OPINION

ORIGINAL

Zimmerman Bros., a co-partnership, consisting of L.H. Zimmerman and Albert F. Zimmerman, and engaged in the freight transportation business between Los Angeles and Long Beach, in the local drayage business in Long Beach and in the operation of a warehouse at Long Beach, ask permission to issue notes, execute a mortgage and deeds of trust.

By Decision No. 21124 dated May 20, 1929, in Application No. 15556, the Commission authorized Zimmerman Bros. to assume the payment of a \$10,000.00 note and to issue a \$31,500.00 seven percent note secured by a deed of trust for the purpose of acquiring the following property:-

Lots 24, 25, 26 of Block 20 of a re-survey and correcting plat of Long Beach Harbor Tract, as per map recorded in Book 10, Page 142 of maps in the office of the County Recorder of Los Angeles County.

This property is situate on the corner of Wilmington Street and Pico Boulevard and is known as No. 901 Pico Boulevard. It has an approximate area of 23,000 square feet.

It is of record that applicant to date has been able to pay but \$250.00 on the \$10,000.00 note, the payment of which was assumed under the authority granted by said Decision No. 21124. This note is overdue and applicant asks permission to renew the same and to execute a mortgage similar in form to that which now secures the payment of such note.

It is further of record that Zimmerman Bros. have been unable to meet all of the installment payments due under the aforesaid \$31,500. note or to meet all of the interest payments due on such loan. The holder of the note has agreed to waive unpaid and accrued interest up to July 1, 1932 in the amount of \$3,634.50 and has agreed to accept in payment of the balance due on the \$31,500.00 note, two notes as follows:- A note for \$29,148.24 dated as of April 21, 1932, with interest at the rate of six percent per annum from July 1, 1932 on the unpaid principal. The principal and interest is to be payable at the rate of \$250.00 per month, commencing July 1, 1932; \$300.00 per month commencing July 1, 1933; \$350.00 per month commencing July 1, 1934; \$400.00 per month commencing July 1, 1935; \$450.00 per month commencing July 1, 1936; and \$500.00 per month commencing July 1, 1937. The other note is to be issued for the principal amount of \$1,000.00, is to be dated April 21, 1932 and payable April 1, 1937, with interest at the rate of six percent per annum. The interest is to be payable monthly. By this arrangement, as stated, the holder of the note will cancel the payment of interest in the amount of \$3,634.50, will reduce the annual interest rate from seven to six percent, and will reduce the monthly payments for the time being from \$500.00 to \$250.00.

Zimmerman Bros. also ask permission to issue two unsecured notes; one for the principal amount of \$2,095.00, the other in the principal amount of \$1,000.00. These unsecured notes are to carry interest at the rate of eight percent per annum.

The testimony shows that the money obtained through the issue of the several notes, to which reference is made herein, was used to acquire properties.

The mortgage and deeds of trust submitted by applicant are in satisfactory form.

C R D E R

Zimmerman Bros., having asked permission to issue promissory notes, as indicated in the foregoing opinion, a public hearing having been held before Examiner Fankhauser, the Commission having considered the testimony submitted at such hearing and being of the opinion that the money, property or labor to be procured or paid for by the issue of the aforesaid promissory notes is reasonably required by Zimmerman Bros. for the purposes herein indicated, and that such purposes are not in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Zimmerman Bros. may issue on or before September 1, 1932 a promissory note for the principal sum of \$9,750.00, payable on or before five years after date, with interest at the rate of not exceeding seven percent per annum, the payment of said note to be secured by a first mortgage in substantially the same form as the mortgage which now secures the payment of the note outstanding; said note to be issued for the purpose

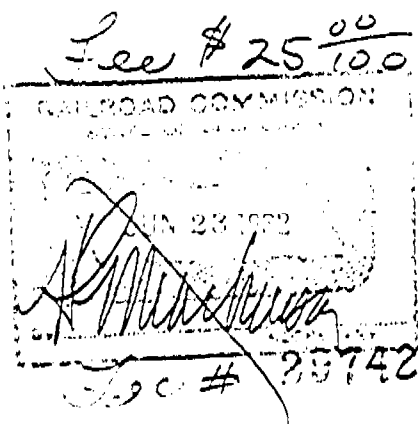
of paying the \$9,750.00 of indebtedness, referred to in the foregoing opinion.

2. Zimmerman Bros. may on or before September 1, 1932 issue a promissory note for the principal amount of \$29,148.24, in the form and under the conditions set forth in Exhibit "B" filed in this proceeding, and to secure the payment of said note execute a deed of trust substantially in the same form as the deed of trust filed in this proceeding as Exhibit "B", said note to be issued for the purpose of paying part of the balance due on the \$31,500. note, referred to in the foregoing opinion.
3. Zimmerman Bros. may on or before September 1, 1932, issue a promissory note for the principal amount of \$1,000.00 in the form and under the conditions set forth in Exhibit "C" filed in this proceeding, and to secure the payment of said note, execute a deed of trust substantially in the same form as the deed of trust filed in this proceeding as Exhibit "C", said note to be issued for the purpose of paying part of the balance due on the \$31,500.00 note referred to in the foregoing opinion.
4. Zimmerman Bros. may on or before September 1, 1932, issue an unsecured promissory note for the principal amount of \$2,095.00, payable on or before one year after date, with interest at the rate of eight percent per annum, for the purpose of paying the indebtedness referred to in this application as being payable to William Harper, and to issue an unsecured promissory note for the principal amount of \$1,000.00, payable on or before

one year after date, with interest at the rate of eight percent per annum, for the purpose of paying the indebtedness referred to in this application as being payable to William Beckley.

5. The authority herein granted will become effective when Zimmerman Bros. has paid the minimum fee prescribed in Section 57 of the Public Utilities Act, which fee is Twenty-five(\$25.00) Dollars.
6. Zimmerman Bros. shall keep such record of the issue and delivery of the promissory notes herein authorized and of the disposition of the proceeds as will enable them to file on or before the 25th day of each month 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.
7. The authority herein granted to execute a mortgage and 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 is not intended as an approval of such mortgage and deeds of trust as to such other legal requirements to which said mortgage and deeds of trust may be subject.

DATED at San Francisco, California, this 6th day of June, 1932.



C. Healey
Leon Oakes
M. A. Cain
M. B. Harris
Fred G. Stevens
Commissioners.