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Decision No. 10883.

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of)
MATTIE EVANS ALDERMAN)
for privilege to mortgage THERMAL)
WATER SYSTEM, together with other)
properties adjoining.)

Application No. 8072.

Mattie Evans Alderman, in propria persona.

BY THE COMMISSION:

O P I N I O N

In this application the Railroad Commission is asked to make its order authorizing MATTIE EVANS ALDERMAN to execute a mortgage securing the payment of a three year seven per cent. note in the principal amount of \$4,000.00.

A public hearing was held by Examiner Williams in Los Angeles on August 16, 1922.

The record shows that Mattie Evans Alderman is the owner of certain properties located at Thermal, Riverside County, and consisting of 56 lots in Thermal Townsite, 34 acres of land adjoining and public utility water properties known as the Thermal Water System. It appears that applicant acquired these properties during 1912 and in payment therefor executed a mortgage for \$9,000.00. Thereafter \$5,000.00 of this indebtedness was paid, and on June 1, 1917, a new mortgage in favor of Mary J. Whitten, was executed to secure the remaining \$4,000.00. This mortgage was evidenced by a note bearing interest at eight per cent. per annum and maturing June 1, 1920, which note is still outstanding.

Applicant now proposes to pay this indebtedness, which

is long past due, by executing a new mortgage of her properties to Citizens Trust and Savings Bank to secure the payment of a \$4,000.00 note dated July 14, 1922 and payable three years after date with interest at seven per cent. per annum. A copy of the proposed mortgage is filed with the petition. It is of record that applicant intends to pay the proposed note at or before maturity with the proceeds obtained from the sale of real property.

Applicant testified that \$1,400.00 of the total indebtedness of \$4,000.00, was allocated to the water properties, which are reported to have cost approximately \$3,250.00. While the Commission will grant the present request involving the mortgage of utility and non-utility properties, it is, of course, understood that it will not be bound to recognize all of the \$4,000.00 note in any rate or other proceeding which may be brought before it.

O R D E R

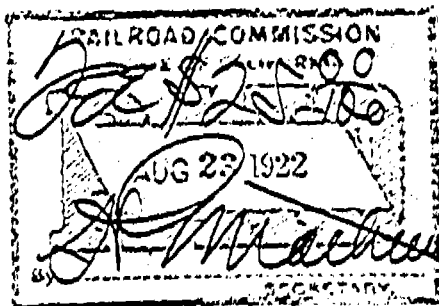
MATTIE EVANS ALDERMAN having applied to the Railroad Commission for permission to execute a mortgage securing the payment of a note for \$4,000.00, a public hearing having been held, and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of such note is reasonably required for the purpose specified herein,

IT IS HEREBY ORDERED, that MATTIE EVANS ALDERMAN be, and she is hereby, authorized to execute a mortgage substantially in the same form as that filed with the petition herein, and to issue a \$4,000.00 note payable on or before three years after date, with interest at not exceeding seven per cent. per annum.

The authority herein granted is subject to the following conditions:

- 1.--Applicant shall use the proceeds obtained from the issue of the note herein authorized to refund the indebtedness represented by the note in favor of Mary J. Whitten now outstanding.
- 2.--The authority herein given to execute a mortgage is for the purpose of this proceeding only, and is granted in so far as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said mortgage as to such other legal requirements to which said mortgage may be subject.
- 3.--The authority herein granted will not become effective until applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.
- 4.--The authority herein granted will apply only to such mortgage as may be executed and to such note as may be issued on or before October 31, 1922.
- 5.--Mattie Evans Alderman shall file a copy of the note herein authorized within thirty days after its issue, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.

DATED at San Francisco, California, this 19th day of August, 1922.



H. H. Anderson
Dwight M. Anderson
J. H. Anderson

Commissioners.