

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application of  
 de FREMERY WHARF & LAND COMPANY for  
 authority to issue a note and to mortgage  
 its property.

Application No. 1305.

Decision No. 1786

Nathan Moran for applicant.

LOVELAND, Commissioner.

O P I N I O N.

de Fremery Wharf & Land Company owns twenty-four acres of land in Clinton Basin, East Oakland. It is engaged in the business of improving and leasing this property chiefly for industrial purposes. It also operates a wharf business for the convenience of its tenants and also for the public generally.

The de Fremery Wharf & Land Company has an authorized issue of Nine Thousand shares of stock of the par value of One Hundred Dollars per share. It has issued Eight Thousand shares of which Seven Thousand, Nine Hundred shares are owned by the de Fremery Estate, seventy-five shares by James de Fremery, Jr., and twenty-five shares by Charles N. Cadman.

The applicant states that the value of its property is approximately One Million, Thirty Thousand, Nine Hundred Twenty-six Dollars and twenty-six cents and that the wharf improvements were appraised at Thirty-five Thousand Dollars, representing less than three and one-half percent of the total.

Applicant states further that on or about January 15, 1910, it issued bonds in the sum of Two Hundred Thousand Dollars secured by trust deed upon its real property.

Application is now made for authority to execute a note to E. D. Connolley in the sum of One Hundred and Ten Thousand Dollars for a period not to exceed three years, with interest at 6% per annum. Application is further made for authority to mortgage the pro-

properties of de Fremery Wharf & Land Company, including the wharf properties, as security for the payment of said note.

It appears that within the past four years a sum approximating Fifteen Thousand (15,000) Dollars was spent for the maintenance and improvement of the wharf properties and that the sum of Eighteen Thousand, Five Hundred (18,500) Dollars was expended for new facilities and additions and betterments thereto. A certain indebtedness was incurred through these transactions for the benefit of the wharf business.

Applicant now proposes to expend from the proceeds of the loan, in the sum of One Hundred Ten Thousand, (110,000) Dollars, in excess of 3½% for the benefit of the wharf properties.

Applicant has not separated its wharf business from the real estate and industrial features of the enterprise. Therefore, while it operates a public wharf and is to that extent a public utility, it devotes less than 5½% of its property to the public utility business.

It is not possible at this time in the consideration of this case to separate the public utility business from the balance of applicant's affairs and this Commission will therefore pass generally upon the matters presented.

It is the testimony that applicant will be enabled to improve its wharf service through the negotiation of the loan herein proposed.

I recommend that the application be granted and submit the following form of Order.

O R D E R.

de FREMERY WHARF & LAND COMPANY having applied to this Commission for authority to execute a note in the sum of One Hundred Ten Thousand (110,000) Dollars, payable to E. D. Connolley, maturing on or before three (3) years after date with interest at 6% per annum, and de Fremery Wharf & Land Company having applied to this Commission further for authority to mortgage its property as security for said

note.

AND A HEARING HAVING BEEN HELD and it appearing that the purposes for which applicant proposes to use said moneys as far as they are to be used for applicant's public utility properties are proper purposes under the Public Utilities Act,

IT IS HEREBY ORDERED that de Fremery Wharf & Land Company be given authority and it is hereby given authority to issue a promissory note to E. D. Connolley in the sum of One Hundred and Ten Thousand (110,000) Dollars, payable on or before three (3) years after date, with interest at 6% , said note to be substantially in the form of applicant's Exhibit "A", filed in connection with the application herein.

AND IT IS FURTHER ORDERED that de Fremery Wharf & Land Company be given authority and it is hereby given authority to mortgage its property as security for said note; said mortgage to be substantially in the form of applicant's Exhibit "B" filed in connection with the application herein.

The authority herein given is given upon the following conditions and not otherwise:

1. Applicant shall devote a sum which shall not be less than  $3\frac{1}{2}\%$  of the face value of said note for the benefit of its wharf properties.

2. Applicant shall report on or before the 25th day of each month the moneys used for the benefit of its wharf properties and in detail the purposes for which said moneys were devoted.

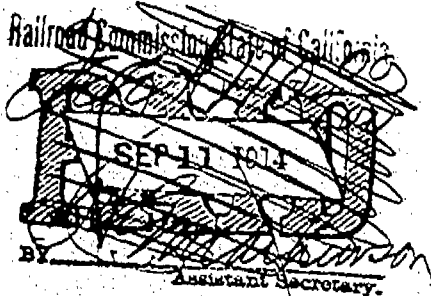
The authority herein given shall apply to such note as shall have been issued or to such mortgage as shall have been executed on or before June 30, 1915.

The authority herein granted is conditioned upon the payment by the applicant of the fee prescribed under the Public Utilities Act.

The foregoing opinion and order are hereby approved

and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 8<sup>th</sup> day of September, 1914.



H. D. Loveland  
Chas. Gordon  
Max Thelen

Commissioners.

Railroad Commission State of California

