

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the matter of the application of Lookout Mountain Park Land and Water Company for authority to issue notes and to mortgage its property.

Application No. 1475.

F. M. Rublee, for applicant.

LOVELAND, Commissioner.

OPINION

Lookout Mountain Park Land and Water Company owns approximately 230 acres of land in Los Angeles County, near Hollywood, which it is subdividing for residential purposes. It estimates the value of this property at approximately \$200,000. In connection with its real estate operations the applicant conducts a water utility business. It values its water plant at \$3,500. At the time of the purchase of the tract, which originally embraced 280 acres, there was a mortgage upon the property for part of the purchase money in the sum of \$57,270. This mortgage has now been reduced to a sum less than \$25,000.

The applicant proposes to issue its note or notes in a sum not to exceed \$25,000, for a term not exceeding ten years, at a rate of interest not exceeding 7 per cent, and to use the money for the purpose of paying off its present mortgage indebtedness. Any sums remaining thereafter will be applied upon the unsecured indebtedness of the applicant. A new mortgage will be executed to secure the new loan in the sum of \$25,000.

It is the plan of the corporation to separate its utility business from its land business at an early date.

I recommend that the application be granted and submit the following form of order:

O R D E R

Lookout Mountain Park Land and Water Company having applied to this Commission for authority to issue note or notes not to exceed \$25,000, for a term not exceeding ten years, at a rate of interest not exceeding 7 per cent,

And Lookout Mountain Park Land and Water Company having applied for authority to mortgage its property as security for said note or notes, and a hearing having been held and it appearing that the purposes to which the money to be derived from said notes is to be applied are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Lookout Mountain Park Land and Water Company be granted authority and it is hereby granted authority to issue its note or notes in a sum not to exceed \$25,000, for a term not exceeding ten years, at a rate of interest not exceeding 7 per cent per annum.

IT IS FURTHER ORDERED that Lookout Mountain Park Land and Water Company be granted authority and it is hereby granted authority to execute a mortgage of its property as security for said note or notes in the sum of \$25,000.

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

(1) The note or notes herein authorized to be issued shall be issued only after the applicant shall have discharged of record the present mortgage upon its property so that the notes herein authorized to be issued shall be a first mortgage upon applicant's properties.

(2) The note or notes herein authorized to be issued shall be issued so as to net the applicant the face value thereof plus accrued interest.

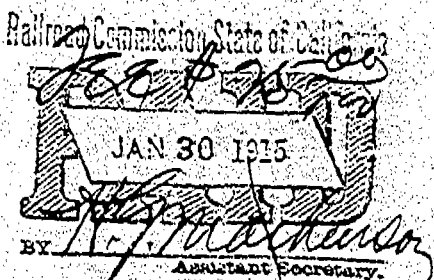
(3) On or before June 30, 1915, the applicant herein shall report the note or notes issued under this authorization, the parties to whom issued, the rate of interest of said notes and the maturities thereof; and the applicant shall file with this Commission on or before June 30, 1915 a copy of the mortgage herein authorized to be issued.

(4) The authority herein granted is conditioned upon the payment of the fee prescribed under the Public Utilities Act.

(5) The authority herein granted shall apply to such notes as shall have been issued on or before June 30, 1915.

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 31st day of December, 1914.



[Signature]
[Signature]
[Signature]

Commissioners.