

Mr.

Decision No. 5891

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of }  
CALIFORNIA-MICHIGAN LAND AND WATER }  
COMPANY for permission to issue a }  
note and execute and deliver a real }  
estate mortgage. }

Application No. 4194.

LOVELAND, Commissioner.

O P I N I O N

California-Michigan Land and Water Company asks authority to issue a 6 per cent \$20,000.00, note, payable November 29, 1919 and to execute a real estate mortgage securing the payment of the note.

Applicant reports that on November 29, 1911, it entered into a contract to purchase a tract of land from Lucy C. Lantz for the sum of \$54,000.00. The payment of this amount was secured by a real estate mortgage. Of the \$54,000.00 applicant has paid \$34,000.00, leaving \$20,000.00 unpaid. Because of the Statute of Limitation Lucy C. Lantz asks the company to issue to her a new note payable November 29, 1919 and secure the payment of the note by the execution of a mortgage substantially in the same form as the mortgage attached to the petition and marked Exhibit "A".

As set forth in the Commission's Decision Number 5119, dated February 7, 1918, applicant is engaged in real estate and public utility water business in South Santa Anita and East Pasadena. The mortgage which applicant desires to execute covers both public and non-public utility property. The note will be the obligation of the corporation and no claim is made that it should be, in its entirety, paid out of the earnings of the public utility business. Reports on file with the Commission show that the company charges three-fourths of its interest on its indebtedness to its land department and one-fourth to its public utility operations.

I herewith submit the following form of Order:

O R D E R

CALIFORNIA-MICHIGAN LAND AND WATER COMPANY having applied to the Railroad Commission for authority to issue a \$20,000.00 note and execute a mortgage, a public hearing having been held, and the Commission being of the opinion that this application should be granted;

IT IS HEREBY ORDERED that California-Michigan Land and Water Company be, and it is hereby, authorized to issue a 6 per cent \$20,000.00 note, payable November 29, 1919, to Lacy C. Lantz and to execute a mortgage securing the payment of said note substantially in the same form as the mortgage attached to the petition herein and marked Exhibit "A"; upon the following conditions:

1.-The proceeds of the note herein authorized to be issued shall be used by California-Michigan Land and Water Company to liquidate the indebtedness referred to in paragraph 5 of the petition herein.

shall

2.-The \$20,000.00 note/be issued so as to be the obligation of California-Michigan Land and Water Company, a corporation.

3.-The approval herein given of said mortgage is for the purpose of this proceeding only and an approval 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.

4.-California-Michigan Land and Water Company shall, within sixty days after the date hereof, file with the Railroad Commission a statement showing the terms and conditions of the note issued pursuant to the authority herein granted.

5.-The authority herein granted shall not become effective until California-Michigan Land and Water Company has paid the fee prescribed by the Public Utilities Act.

6.-The authority herein granted shall apply only to such note as may be issued and to such mortgage as may be executed within fifty days after the date hereof.

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 4<sup>th</sup> day of November, 1918.

Edwin O. Edinger  
H. S. Lovelace  
Frank R. Brown

Commissioners.