

Decision No. 25996

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
FARMERS NATIONAL WAREHOUSE CORPORATION
OF CALIFORNIA to sell, and of J. W.
CALDWELL and M. J. WYNDELTS, co-partners
doing business under the firm name of
Farmers Warehouse & Feed Company, to
buy certain warehouses in Merced County.)
Application No. 18899

BY THE COMMISSION:

ORIGINAL

O P I N I O N

In this proceeding the Railroad Commission is asked to make an order authorizing Farmers National Warehouse Corporation of California to transfer certain warehouse properties to J. W. Caldwell and M. J. Wyndelts.

The properties to be transferred include seven warehouses located at Merced, Le Grand, Dickinson, Marguerite and Planada and described in the application as follows:

Warehouse and tract of land approximately 100' x 400' at Le Grand;

Warehouse and tract of land approximately 200' x 400' at Dickinson;

Warehouse and tract of land approximately 200' x 450' at Marguerite;

Warehouse approximately 100' x 150' at Merced on land leased from the Southern Pacific Company;

Warehouse approximately 50' x 150' at Merced on land leased from the Southern Pacific Company;

Warehouse approximately 60' x 150' at Planada on land leased from The Atchison, Topeka and Santa Fe Railway Company;

Warehouse approximately 50' x 250' at Le Grand on land leased from The Atchison, Topeka and Santa Fe Railway Company;

together with all fixtures and equipment of said warehouses.

It appears that the properties were purchased by Farmers National Warehouse Corporation of California from California Wharf and Warehouse Company in 1931, under the authority granted by the Commission by Decision No. 23907, dated July 24, 1931, in Application No. 17526, the purchase price being \$22,000.00. In that proceeding, as well as in the present one, it was alleged that the original cost of the buildings cannot be ascertained, for the reason that the records relating thereto were destroyed in the San Francisco fire of April, 1906. It appears, however, that the former owner carried the seven properties on its books at a total figure of \$30,000.00.

Farmers National Warehouse Corporation of California is a subsidiary of Farmers National Warehouse Corporation, a Delaware corporation. It is reported that the parent corporation desires to dispose of its California holdings and that therefore arrangements have been made for the sale of the foregoing properties to J. W. Caldwell and M. J. Wyndelts, who have associated themselves together as co-partners under the firm name and style of Farmers Warehouse & Feed Company. M. J. Wyndelts is now engaged in operating a public utility warehouse business in the City of Merced.

The agreement of sale between the parties, dated May 11, 1933, a copy of which is filed as Exhibit "A", provides for a total purchase price of \$15,000.00, of which \$500.00 was paid on May 10, 1933, and the balance of \$14,500.00 will be payable as follows:

On June 1, 1933 -	\$4,500.00
On June 1, 1934 -	2,500.00
On June 1, 1935 -	2,500.00
On June 1, 1936 -	2,500.00
On June 1, 1937 -	2,500.00

All payments are to be evidenced by notes bearing interest at the rate of five per cent per annum and are to be secured by

mortgages of the warehouse buildings, a separate instrument being executed to cover each of the structures.

A copy of the form of the proposed mortgages has been filed with the Commission. It appears to be satisfactory.

ORDER

Application having been made to the Railroad Commission for an order authorizing the transfer of warehouse properties from Farmers National Warehouse Corporation of California to J. W. Caldwell and M. J. Wyndelts, under the terms of an agreement by and between them, and the Commission being of the opinion that this is not a matter in which a public hearing is necessary, that it should enter its order as set forth herein, and that the money, property or labor to be procured or paid for by J. W. Caldwell and M. J. Wyndelts through the issue of the notes herein authorized is reasonable required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED as follows:

1. Farmers National Warehouse Corporation of California may, on or before December 31, 1933, sell and transfer to J. W. Caldwell and M. J. Wyndelts, co-partners doing business under the firm name and style of Farmers Warehouse & Feed Company, the seven public utility warehouse properties and businesses located at Merced, Le Grand, Dickinson, Marguerite and Planada, Merced County, referred to in the foregoing opinion, such sale to be made in accordance with the terms of the agreement filed as Exhibit "A" in this application.
2. Farmers National Warehouse Corporation of California upon the completion of the sale of the aforesaid warehouse properties,

as herein authorized, and the acquisition and operation thereof by the purchaser as public utility warehouses, may cease and desist from its operation as a public utility warehouseman in said property.

3. J. W. Caldwell and M. J. Wyndelts as co-partners doing business under the firm name and style of Farmers Warehouse & Feed Company, may, on or before August 31, 1933, execute seven mortgages substantially in the same form as that filed in this proceeding and may issue their promissory notes to be secured thereby in the total principal amount of \$14,500.00, payable as indicated in the foregoing opinion with interest at the rate of five per cent per annum, for the purpose of financing in part the cost of acquiring the warehouse properties herein authorized to be transferred.

4. The authority herein granted is subject to the following conditions:

(a) The schedules of rates and charges now on file with the Commission covering service now being given in the warehouses, herein authorized to be transferred, shall be withdrawn by the present owner and such schedules shall forthwith be adopted by J. W. Caldwell and M. J. Wyndelts.

(b) J. W. Caldwell and M. J. Wyndelts shall keep such record of the issue of the notes herein authorized as will enable them to file within thirty (30) days thereafter, 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.

(c) The authority herein granted to execute mortgages 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 said mortgages as to such other legal requirements to which they may be subject.

(d) The authority herein granted to execute mortgages and to issue notes will become effective when J. W. Caldwell and M. J. Wyndelts have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars. In all other respects, the authority granted will become effective upon the date hereof. It shall also file with the Commission a certified copy of each mortgage executed under the authority herein granted.

DATED at San Francisco, California, this 29th day of May, 1933.

C. S. Deane

W. J. Quinn

M. B. Harris

W. H. Moore

Commissioners.

Fee $25 \frac{00}{100}$

W. Matthews

Fee # 30382