

Decision No. 29077

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
BIRCH-SMITH STORAGE COMPANY)
for order authorizing cancellation)
of \$75,000. present mortgage loan,)
and issuance of new \$60,000. mort-)
gage loan.)

Application No. 20708

Clifford A. Rohe, for applicant.

BY THE COMMISSION:

ORIGINAL

O P I N I O N

Birch-Smith Storage Company is engaged in the business of owning and managing a warehouse in the City of Los Angeles.

It reports that on October 24, 1929 it placed on its warehouse real property a mortgage in the principal sum of \$75,000. bearing 7% interest, payable quarterly, and the principal being payable on October 24, 1932. Applicant reports that it has made arrangements to borrow \$15,000. from the Hollymont Company, a California corporation, on an open account, to pay \$15,000. of the said \$75,000. loan, and borrow \$60,000. through the issue of its three year 6% note to Citizens National Trust and Savings Bank of Los Angeles. The \$60,000. will be used to pay the balance due on said \$75,000. note. The payment of the \$60,000. note will be secured by a deed of trust which will be a lien on lots thirty-six, thirty-seven and thirty-eight of the Rindge Tract in the City of Los Angeles, as per map recorded in Book 72, page 17 of Miscellaneous Records of Los Angeles County, together with all buildings and improvements thereon. A copy of applicant's proposed note and deed of trust were filed with the Commission on August 20, 1936. We find the same to be in satisfactory form.

Under the facts stated by applicant in its petition, the \$15,000. mentioned therein may be borrowed without authorization from the Commission.

Birch-Smith Storage Company having asked permission to issue a \$60,000. note and execute a mortgage, the Commission having considered applicant's requests and being of the opinion that this is not a matter on which a hearing is necessary and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required by applicant for the purpose herein stated, therefore,

IT IS HEREBY ORDERED that Birch-Smith Storage Company be, and it is hereby, authorized to issue on or before December 31, 1936 a note for the principal sum of \$60,000. payable on or before three years after date with interest at the rate of 6% per annum, payable quarterly, and use the proceeds realized from the issue of said note to pay in part the \$75,000. note mentioned in the foregoing opinion.

IT IS HEREBY FURTHER ORDERED that for the purpose of securing the payment of said \$60,000. note, Birch-Smith Storage Company may execute a deed of trust similar in form to the deed of trust filed in this proceeding on August 20, 1936, provided that the authority herein granted to execute said deed of trust is for the purpose of this proceeding only, and is given only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said deed of trust as to such other legal requirements to which it may be subject.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Sixty(\$60.) Dollars.

IT IS HEREBY FURTHER ORDERED that Birch-Smith Storage Company shall, within thirty(30) days after the issue of said note, file with the Commission a true and correct copy of the note issued and a true and correct copy of the deed of trust executed under the authority herein granted.

DATED at San Francisco, California, this 24th day of August, 1936.

W B Lamm
Leon Whittell
W H C...
Walter M...
Frank R. L...
Commissioners.

