

Decision No. 29838

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of }
PACIFIC FREIGHT LINES } Application No. 21233
for approval of purchase of real }
estate. }

Wallace K. Downey, for applicant.

BY THE COMMISSION:

OPINION AND ORDER

ORIGINAL

Pacific Freight Lines, a corporation, has applied to the Railroad Commission for an order authorizing it to execute an agreement, a copy of which is filed as Exhibit A, for the purchase from Patten-Blinn Lumber Co. of that certain real property situated in the City of Los Angeles described as follows:-

"The North twelve (12) acres of that portion of Lot "A" Tract 9474, as per map recorded in Book 132, Page 59 of Maps, in the office of the County Recorder of said Los Angeles County, which lies East of the East Line of the strip of land 8.5 feet in width, described in deed to the Southern Pacific Company, recorded in Book 4972, Page 17 of Deeds, Records of said county; the south line of said twelve(12) acres being drawn at right angles to the East line of said Lot "A". (The exact location of said South line to be determined and fixed by a survey hereafter to be made at the cost and expense of First Party by a surveyor agreed upon by the parties hereto, and to be more particularly described in the deed of conveyance to be made in accordance herewith.)

Together with all of the rights, titles, interests, reversions, rights-of-way and easements reserved to and granted to American Building Company in that certain indenture dated December 6, 1911, between American Building Company and the Southern Pacific Company, recorded in Book 4972, Page 17, of Deeds, Records of said Los Angeles County. Except the reversionary interest in said 8.5 ft. strip lying south of said south line extended westerly.

The foregoing being subject to that certain lease dated February 18, 1914, from the American Building Company as lessor to Pacific Electric Railway Company as lessee, covering a 1.5 foot wide strip of land parallel and adjacent to the East line of the strip of land 8.5 feet in width described in said indenture dated December 6, 1911, recorded in Book 4972, Page 17, of Deeds, Records of said Los Angeles County.

The agreed purchase price for the property is the sum of \$354,000. payable in the amount of \$25,000. upon execution of the agreement, and in monthly installments thereafter of \$2,500. and in addition thereto the sum of \$15,000. on July 1, 1937 and \$15,000. on the first days of January and July in each year thereafter, with interest on the unpaid balance at the rate of 5 percent per annum, provided that the total purchase price shall be paid on or before July 1, 1940.

Applicant represents that the property has been occupied by it since February, 1932, and has been used for its principal freight station and its general offices under a lease arrangement terminating in 1942. It alleges that it has placed numerous improvements upon the property, many of which otherwise would pass to the owner of the property upon expiration of the lease and that in order to protect its investment it has made the present arrangements to purchase the properties.

The Commission has considered the application and is of the opinion that it is a matter in which a public hearing is not necessary, that the request of the company should be granted, that the agreement referred to is an evidence of indebtedness, as defined in Section 52(b) of the Public Utilities Act, and that the money, property or labor to be procured or paid for through the execution thereof is reasonably required for the purpose specified herein, which purpose is not in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Pacific Freight Lines, a corporation, be and it hereby is authorized to execute an agreement for the purchase of real property in or substantially in the same form as that filed as Exhibit A in this proceeding, provided-

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 Three Hundred and Fifty-four(\$354.00) Dollars.

DATED at San Francisco, California, this 7th day of June, 1937.

Arthur M. ...
Leon ...
Frank ...
Ray ...
Ray ...
Commissioners.

