

Decision No. 23144

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
INTER-URBAN EXPRESS CORPORATION,  
a California Corporation for per-  
mission to issue a note for \$14,000.00  
and execute a deed of trust for the  
purpose of acquiring the present ter-  
minal site.

} Application No. 23144

BY THE COMMISSION:

OPINION AND ORDER

Inter-Urban Express Corporation has applied to the Railroad Commission for an order authorizing it to execute a deed of trust and to issue a note in the principal amount of \$14,000 payable in monthly installments of \$150, with interest on deferred balances at the rate of 5% per annum, for the purpose of financing in part the cost of certain properties located at 540 Fourth Street, Oakland, described as follows:-

BEGINNING at the point of intersection of the southern line of 5th Street and the eastern line of Clay Street; and running thence easterly along said line of 5th Street 100 feet; thence at right angles southerly 200 feet to the northern line of 4th Street; thence westerly along said line of 4th Street 100 feet to the point of intersection thereof with the eastern line of Clay Street; and thence northerly along said eastern line of Clay Street 200 feet to the point of beginning.

BEING Lots 1, 2, 3, 4, 5, 6, 7, 8, 9 and 28 in block 44, according to Kellersberger's Map of Oakland on file in the office of the County Recorder of Alameda County.

The company is engaged in the operation of a truck line for the transportation of freight between San Francisco, Oakland and other east bay points. In its financial statements filed with the Commission it has reported, for the ten months ending October 31, 1939, transportation revenues of \$189,486.42, and transportation expenses of \$176,575.46, leaving net operating revenues of \$12,910.96; for the year 1938, transpor-

tation revenues of \$214,772.08 and transportation expenses of \$215,988.21, resulting in a net operating loss of \$1,216.13; and for the year 1937, transportation revenues of \$223,607.62 and transportation expenses of \$219,164.94, leaving net operating revenues of \$4,442.68. It reports its assets and liabilities as of October 31, 1939 as follows:-

ASSETS

Plant and equipment	\$106,675.95
Franchise	1,009.31
Cash	17,022.34
Accounts receivable	39,107.86
Materials and supplies	821.38
Prepayment	<u>841.44</u>
Total assets	<u>\$165,478.28</u>

LIABILITIES

Capital stock-common	\$ 84,900.00
Notes payable	2,265.70
Accounts payable	7,104.78
Reserves	69,899.19
Surplus	<u>1,308.61</u>
Total liabilities	<u>\$165,478.28</u>

It appears that the company in the conduct of its business has been using the above described real property for terminal purposes under a lease agreement running for a period of ten years from August 11, 1938 at a monthly rental of \$300. It now reports, however, that it had made arrangements to purchase the properties for the total sum of \$22,000, of which \$8,000 will be payable in cash and the balance of \$14,000 will be represented by the note covered by the present application.

The company has filed a copy of the proposed note and of the deed of trust to be executed to secure its payment. It appears to the Commission that the proposed instruments are in satisfactory form, that the money, property or labor to be procured or paid for through the issue of the note is reasonably required for the purpose specified herein and that the expenditures for such purpose are not, in whole or

in part, reasonably chargeable to operating expenses or to income, and that the requests of applicant accordingly should be granted, as provided herein, therefore,

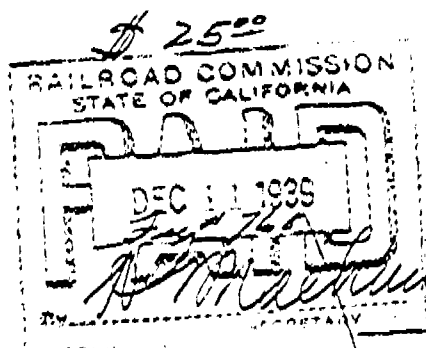
IT IS HEREBY ORDERED that Inter-Urban Express Corporation be, and it hereby is authorized to execute a deed of trust in or substantially in the same form as the deed of trust filed with the application herein, provided that the authority herein given is for the purpose of this proceeding only, and is 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 Inter-Urban Express Corporation be, and it hereby is authorized to issue a promissory note in the principal amount of \$14,000, payable in monthly installments of \$150.00 with interest, payable monthly, on deferred balances at the rate of 5% per annum, for the purpose of financing in part the cost of the property located at 540 Fourth Street, Oakland, California, referred to herein, provided that

1. Applicant shall file with the Commission a copy of the note and the deed of trust as actually executed under the authority herein granted, within thirty(30) days after such execution; and

2. The authority herein granted will not become effective until applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five(\$25.00) Dollars.

DATED at San Francisco, California, this 5<sup>th</sup> day of December, 1939.



[Signature]  
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Justus J. Cramer  
Commissioners