

Decision No. 23674

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of LYON VAN & STORAGE CO. for order  
authorizing applicant to borrow Eighty-  
seven Thousand Dollars.

Application No. 23674

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Lyon Van & Storage Co. seeks permission to issue to Bank of America National Trust & Savings Association a 5% installment note for \$87,000 and execute a deed of trust to secure the payment of said note.

Applicant is engaged in the transportation and warehouse business. It operates public utility warehouses in San Francisco, Los Angeles, Hollywood, Santa Barbara, Long Beach, Glendale, Fresno and San Diego. For 1939, its public utility warehouse revenues were \$37,296.69 and its non-utility revenues \$853,338.30. Its net income for 1939 amounted to \$93,987.40.

Applicant, as of June 30, 1940, had \$654,100 of common stock and \$258,992.38 of notes outstanding.

It is of record that applicant desires to erect at a cost of \$113,200 a reinforced concrete warehouse at 9012-16 Wilshire Boulevard in the City of Beverly Hills, California. It is not its present intention to operate this warehouse as a public utility. Its primary purpose is for the storage of

second-hand household goods.

Applicant proposes to borrow from Bank of America National Trust & Savings Association \$87,000, of which \$65,000 will be used to finance the cost of said warehouse building, and \$22,000 to pay off a \$22,000 mortgage on warehouse properties located at 27 East Cota Street in Santa Barbara. The \$87,000 is payable at the rate of \$750 per month.

A copy of the proposed deed of trust is on file in this proceeding. It will be a lien on the following described property situate in the City of Beverly Hills, to-wit:

"Lot 542 of Tract Number 6380, as per map recorded in Book 69, pages 11 to 20 inclusive of Maps in the office of the County Recorder of Los Angeles County."

The deed of trust will also be a lien on that portion of Block 210 in the City of Santa Barbara, described as follows:

"Beginning on the northwesterly line of Cota Street 112.13 feet southwesterly from the southwesterly line of Anacapa Street; thence southwesterly along said line of Cota Street 50 feet; thence at right angles northwesterly 160 feet to the southeasterly line of a private street known as Thompson Street; thence at right angles northeasterly along said line 50 feet; thence at right angles southeasterly 160 feet to the point of beginning.

"In Book 4, page 10 of Maps and Surveys, in the office of the Recorder of said County, is a map which shows said above described land as Lot 13."

The deed of trust will also be a lien on all appurtenances and easements used in connection with said properties.

We find the deed of trust to be in satisfactory form.

#### ORDER

The Commission having considered applicant's request and it being of the opinion that this is not a matter on which

a public hearing is necessary, that the money, property or labor to be procured or paid for by the issue of the \$87,000 note is reasonably required by applicant for the purposes indicated herein, that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income, and that this application should be granted as herein provided, therefore

IT IS HEREBY ORDERED that Lyon Van & Storage Co. be, and it is hereby, authorized to execute, after the effective date hereof and prior to December 31, 1940, a deed of trust in, or substantially in, the same form as that filed in this proceeding to issue its promissory note in the principal amount of \$87,000, payable in monthly installments of \$750 with interest at 5% per annum, and to use \$65,000 of the proceeds realized through the issue of said note to finance in part the cost of the warehouse building to which reference is made in the foregoing opinion, and \$22,000 to pay in part the indebtedness secured by a mortgage on its warehouse building and properties in the City of Santa Barbara.

IT IS HEREBY FURTHER ORDERED that the authority herein granted to execute a deed of trust 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 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 Lyon Van & Storage Co. has paid the fee prescribed by Section 57 of the Public Utilities Act,

which fee is Eighty Seven (\$87.00) Dollars.

IT IS HEREBY FURTHER ORDERED that Lyon Van & Storage Co. shall file with the Commission within thirty (30) days after their execution, a copy of the deed of trust and a copy of the note executed under the authority herein granted.

Dated at San Francisco, California, this 10<sup>th</sup> day of September, 1940.

Ray L. Riley  
James P. Sullivan  
Robert J. Sullivan  
J. J. Ball  
Justin P. Coenen  
Commissioners.

\$ 87.00  
RAILROAD COMMISSION  
STATE OF CALIFORNIA  
PAID  
SEP 18 1940  
745-1222  
By J. J. Ball  
SECRETARY