

# ORIGINAL

Decision No. 34334

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of M. C. YAHNE, INC., a corporation,  
for authority to execute Promissory  
Note and Deed of Trust.

Application No. 24275

BY THE COMMISSION:

## OPINION AND ORDER

This is an application by M. C. Yahne, Inc. for an order of the Railroad Commission authorizing it to execute a deed of trust and a promissory note in the principal amount of \$14,850.

Applicant is engaged in the business of transporting passengers by auto stages. In its annual reports to this Commission, it shows regular routes operated between Los Angeles and Reno, Los Angeles and San Diego and San Bernardino and Elsinore, with operating revenues of \$128,742.19 in 1938, \$127,115.09 in 1939, and \$139,680.30 in 1940, and net income of \$4,852.09 in 1938, \$3,110.19 in 1939, and \$12,880.24 in 1940.

The company reports that due to increased operations between San Diego and Camp Elliott, it found it necessary and desirable to obtain garage facilities in San Diego and that accordingly it made arrangements to purchase, for

\$16,500, certain property consisting of lots A and B in Block 133 of Horton's Addition, City of San Diego, and a steel and concrete garage building which is 100' x 100'. The street address of the property is 265 Eleventh Avenue, San Diego.

In acquiring this property, applicant made a down payment of \$1,650 and, on April 22, 1941, issued a 5% promissory note for the balance of \$14,850. The principal and interest are payable in monthly installments of \$150, beginning on June 1, 1941. Applicant executed a deed of trust to secure the payment of the note.

Applicant did not obtain from this Commission authority to execute the deed of trust and to issue the note. It clearly appears, however, that its failure to do so was through inadvertence and with no intent to evade the provisions of the Public Utilities Act. When it became aware of the necessity of obtaining the authorization of this Commission, it forthwith caused the present application to be prepared and filed, and submitted a copy of the deed of trust and of the note.

The Commission has considered this application and is of the opinion that a public hearing is not necessary, 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 said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that M. C. Yahne, Inc. be, and it hereby is, authorized to execute a deed of trust in, or substantially in, the same form as that filed in this proceeding as Exhibit "A," and to issue a 5% promissory note in the principal amount of \$14,850, principal and interest being payable in monthly installments of \$150, commencing on June 1, 1941, for the purpose of financing in part the cost of the real estate and garage property referred to herein, provided that:

1. 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 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; and

2. The authority herein granted will become effective when 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 24<sup>th</sup> day of June, 1941.

[Signature]  
David L. Rice  
Justus J. Green  
Francis L. Havens  
[Signature]  
Commissioners.

