

Decision No. 39487

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of JOHN F. OHRT for Ratification
of an Existing Loan or in the
Alternate, for leave to encumber
property of the

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) Application
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No. 27863
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HI & DRY WAREHOUSE

OPINION AND ORDER

John F. Ohrt, doing business as Hi & Dry Warehouse, is engaged, among other things, in the operation of a warehouse, primarily for the storage of beans, rice and grain, at Sutter, California.

The verified application shows that during 1945 applicant Ohrt purchased, for \$40,000, a building he now uses in his warehouse operations and that in order to provide in part the purchase price, he and his wife, Irva J. Ohrt, issued to The Capital National Bank of Sacramento, a note in the principal amount of \$24,000, dated November 23, 1945, and payable in monthly installments of \$400, commencing December 31, 1945, with interest at the rate of six percent per annum. To secure the payment of the note they executed a deed of trust covering the real property occupied by the warehouse and a mortgage of chattels covering the equipment.

Applicant did not obtain from this Commission an order authorizing the issue of the note or the execution of the deed of trust and the mortgage of chattels. It appears, however, that his failure to do so was through inadvertence and with no intent

to evade the provisions of the Public Utilities Act. When the matter of the necessity of obtaining the authorization of the Commission was brought to his attention, he filed the present application requesting the Commission to ratify or confirm the issue and execution of the existing note and indentures, or, as an alternative, to authorize the issue of a note and the execution of indentures in similar forms to those heretofore issued and executed.

The Commission has considered this matter and is of the opinion that it cannot ratify or confirm the instruments heretofore issued and executed without an order from the Commission, and that accordingly it should authorize the issue and execution of a new note and deed of trust and mortgage of chattels. The Commission is 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 for the purpose stated herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. John F. Ohrt and his wife, Irva J. Ohrt, after the effective date hereof and on or before December 31, 1946, may issue a note in the principal amount of not exceeding \$24,000 for the purpose of financing in part the purchase price of the warehouse properties referred to herein, and may execute a deed of trust and a mortgage of chattels, which note, deed of trust and mortgage of chattels shall be in, or substantially in, the same form as the note, deed of trust and mortgage of chattels attached to the application herein.

2. Within thirty (30) days after the issue of said note, John F. Ohrt shall advise the Commission of the date when he issued the note and in what respects, if any, the note, deed of trust and mortgage of chattels executed under the authority herein granted, differ from the note, deed of trust and mortgage of chattels on file in this application.

3. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

Dated at San Francisco, California, this 8th day of October, 1946.

Harold A. Kula
Justice F. Coe
James D. Long
James H. Lawrence
A. J. Anderson
 Commissioners

