

Decision No. 40110

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of CALIFORNIA MOTOR EXPRESS, LTD.,)
a corporation, for authority to)
issue a Note and a Deed of Trust.)
-----)

ORIGINAL

Application
No. 28292

OPINION AND ORDER

This is an application for an order of the Public Utilities Commission authorizing California Motor Express, Ltd. to execute a deed of trust and to issue a note for \$235,000 for the purpose of financing the cost of terminal property.

California Motor Express, Ltd. is a corporation engaged in business as an express carrier transporting property between points in California. In its financial statements filed with the Commission it has reported operating revenues of \$1,795,239 in 1944, of \$2,176,078 in 1945 and of \$2,975,156 in 1946, and net operating income of \$35,969 in 1944 and net operating loss of \$5,077 in 1945 and \$6,032 in 1946.

The company does not own or operate motor equipment but transports its express traffic over the lines of other common carriers. Its tangible assets for the most part consist of land and improvements, located in various cities in the state, used for terminal facilities. In San Francisco such facilities include properties at 625 Brannan Street, comprising 25,000 square feet, and at 50 Bluxome Street, comprising 36,000 square feet, on which are located dock and office facilities.

It is reported in the present application that the company has found it necessary to acquire additional terminal facilities in San Francisco and accordingly has arranged to purchase, for \$235,000, an additional 110,400 square feet immediately adjoining its present Bluxome Street property which will be utilized for an extension of its dock and office facilities. It proposes to borrow \$235,000 from the Bank of America National Trust and Savings Association to finance the purchase price.

The amount to be borrowed will be represented by a note bearing interest at the rate of 4% per annum on deferred balances, and payable in monthly installments of \$2,379.40, with payment secured by a deed of trust covering the parcels of land the company now owns at 625 Brannan Street and 50 Bluxome Street, and on that it now proposes to purchase.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, 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 specified 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. California Motor Express, Ltd., after the effective date hereof and on or before June 30, 1947, may issue a note for \$235,000 and may execute a deed of trust for the purpose of financing the cost of the property referred to herein, said note and deed of trust to be in, or substantially in, the same form as

the note and the deed of trust filed in this proceeding as Exhibit "A" and Exhibit "B", respectively.

2. California Motor Express, Ltd. shall file with the Commission a report of the issue of the note herein authorized and of the disposition of the proceeds as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when California Motor Express, Ltd. has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Two Hundred Thirty-five (\$235.00) Dollars.

Dated at San Francisco, California, this 1st day of April, 1947.

Harold P. Kula
Justus J. Cairnes
Oran H. Powell
R. E. ...
... ..
 Commissioners

