

Decision No. 40729

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of S. S. HINAMAN and ANNA S. MC LEAN  
for an order authorizing sale of  
premises.  
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Application  
No. 28702

O P I N I O N

In this application Anna S. McLean asks permission to sell an undivided one-half interest in and to all that certain real property situate in the County of Butte, State of California, and described as follows:

All of Lots 1, 2, 3 and 4 of Block Nineteen (19), and all of Lots 1, 2, 3 and 4 of Block Twenty (20), of the City (formerly Town) of Gridley, according to the Official Map thereof filed in the office of the Recorder of the County of Butte, State of California.

TOGETHER with that portion of Cedar Street, lying between the easterly line of Virginia Street and the Westerly line of the Southern Pacific Railroad right-of-way, heretofore abandoned by Resolution of the City Council of the City of Gridley, instrument dated May 16th, 1938, and recorded August 3, 1938, in Book "211" of Official Records, page 20, records of Butte County, California.

TOGETHER with 1/2 interest in and to all fixtures, machinery and other personal property belonging to the partnership.

Applicant's petition shows that S. S. Hinaman and George H. McLean, under the name and title of The Gridley Warehouse as a co-partnership have been conducting a rice drying and public utility warehousing business, that George H. McLean died on February 15, 1947 and that said Anna S. McLean is his surviving spouse, executrix of his estate and sole heir and devisee under his last will and testament.

The Gridley Warehouse for 1945 reported a net income of \$24,904.08 and for 1946 a net income of \$20,762.42.

Anna S. McLean has agreed to sell her one-half interest in the Gridley Warehouse properties and business to S. S. Hinaman for \$70,000. A copy of the agreement of sale is on file in this application. Under its terms Purchaser agrees to make a down-payment of \$7,000 upon the execution of the agreement, to pay \$13,000 on or before December 31, 1947 and to pay the remaining \$50,000 in annual installments of \$10,000 or more with interest at the rate of 3½% per annum, payable annually. The agreement further provides that the Purchaser shall have immediate possession of the real property but that the title to the real property is in, and shall remain in the name of the Seller until the purchase price has been fully paid. Upon the distribution of the estate of George H. McLean, deceased, any time after January 1, 1948, at the request of Purchaser, Seller agrees to execute and deliver to the Purchaser a good and sufficient deed of conveyance to said real property and a bill of sale to the personal property provided contemporaneously with the delivery of said deed. Purchaser will execute and deliver to the Seller his promissory note for the balance then due on the purchase price and secure the payment of such note by the execution and delivery of the first deed of trust on said real property. The terms of the note are to be substantially as the terms of the agreement.

The agreement between the Purchaser and Seller, we believe, is an evidence of indebtedness covered by Section 52 of the Public Utilities Act. Its execution should be authorized by the Commission.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

O R D E R

The Commission has considered applicants' request and is of the opinion that this is not a matter on which a hearing is necessary, that the money, property or labor to be procured or paid for by execution of the agreement of sale to which reference is made in this application is reasonably required by S. S. Hinaman and that this application should be granted as herein provided, therefore,

IT IS HEREBY ORDERED as follows:

1. Anna S. McLean may, after the effective date hereof transfer her undivided one-half interest in, and to the property described in the foregoing opinion to S. S. Hinaman, such transfer to be made pursuant to the terms and conditions of the agreement on file in this application, which agreement S. S. Hinaman and Anna S. McLean are hereby authorized to execute.
2. Applicants shall, on not less than five days' notice to the Commission and to the public, supplement or re-issue the tariffs on file with the Commission insofar as they name rates, rules and regulations governing warehouse operations under the name and title of The Gridley Warehouse to show that Anna S. McLean, executrix of the estate of George E. McLean, has withdrawn from the said warehouse operation and that S. S. Hinaman has adopted or established said rates, rules and regulations as his own. The tariff filings made pursuant to this order shall in all other respects comply with the regulations governing the construction and filing of warehouse tariffs set forth in the Commission's General Order No. 61.
3. The authority herein granted will become effective

when S. S. Hinaman has paid the fee prescribed by Section 57 of the Public Utilities Act.

4. Within thirty (30) days after the execution of the agreement to which reference is made herein, S. S. Hinaman shall file with the Commission a true and correct copy of said agreement.

Dated at San Francisco, California, this 23<sup>rd</sup> day of September 1947.

Harold P. Huls  
Justice J. Casper  
James H. Powell  
R. F. Davidson  
Samuel D. Little  
 Commissioners

