

Decision No. 45851

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ALLEN WAREHOUSE COMPANY)
OF CALIFORNIA)
for a Permit Authorizing it to)
Sell and Issue its Securities.)
-----)

Application
No. 32488

OPINION AND ORDER

Allen Warehouse Company of California has filed this application for authority to issue and sell 5,000 shares of stock at par (\$10 per share) for cash, to execute a deed of trust and to issue notes in the aggregate amount of \$158,500.

The application shows that the company is a California corporation organized on or about June 6, 1951, with an authorized capital stock of 20,000 shares of the par value of \$10 each and of the aggregate par value of \$200,000. It intends to engage primarily in the business of operating a cotton compress and cotton warehouse facilities in Fresno County, and to that end proposes to acquire certain unimproved real property and to construct thereon the improvements required for its proposed operations. It appears that it intends to file tariffs naming rates for storage.

The company reports that the purchase price of the real property is \$118,500, of which the sum of \$35,000 will be paid in cash and the remainder will be evidenced by a promissory note for \$83,500 secured by a deed of trust. The note will be payable in annual installments of \$8,000, or more, beginning on the first day

of June, 1952, with interest at the rate of 4% per annum on the unpaid principal. A copy of the proposed note and a copy of the proposed deed of trust have been filed in this proceeding as Exhibit B.

To obtain the cash payment for the real property, to finance the cost of the improvements and to provide working capital, applicant proposes to sell 5,000 shares of its capital stock, at par for cash, and to issue promissory notes up to \$75,000, principal amount, which will be payable on or before ten years after date of issue with interest at not exceeding 6% per annum.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary; that the application should be granted, as herein provided; that the money, property or labor to be procured or paid for through the issue of the stock and promissory notes herein authorized is reasonably required by applicant for the purposes specified herein; and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Allen Warehouse Company of California, after the effective date hereof and on or before December 31, 1951, may execute a deed of trust in, or substantially in, the same form as that filed in this proceeding as Exhibit B, and may issue a promissory note secured by said deed of trust in the principal amount of \$83,500 for the purpose of financing, in part, the cost of the real property referred to herein.

2. Allen Warehouse Company of California, after the effective date hereof and on or before December 31, 1951, may issue and sell, at par for cash, 5,000 shares of its capital stock and \$75,000 principal amount of notes, as indicated herein, for the purposes set forth in this application.

3. Allen Warehouse Company of California shall file with the Commission a copy of each note issued under the authority herein granted, within thirty (30) days after the date of issue, and shall file also, as soon as available, a report, or reports, showing the names of those to whom it issued the shares of stock herein authorized, the number of shares issued to each, and the price at which sold.

4. The authority herein granted will become effective when Allen Warehouse Company of California has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is one hundred fifty-nine (\$159.00) dollars.

Dated at San Francisco, California, this 26th day of June, 1951.

R. T. Anderson
Justin F. Quince
Harold P. Hule
Lawrence P. Pottel
John E. [unclear]
Commissioners

