

Decision No. 48626

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of HOLMES WAREHOUSE CO. for :
Order Authorizing the Encumbrance)
of Applicant's Property. :
-----)

Application
No. 34348

OPINION AND ORDER

This is an application for an order authorizing Holmes Warehouse Co., a corporation, to execute a deed of trust, a mortgage of chattels and an assignment of rents and to issue a promissory note in the principal amount of \$40,000 for the purpose of refinancing outstanding indebtedness.

Applicant is engaged in the operation of public warehouses in South Dos Palos, Mendota and Oxalis, primarily for the storage of barley, rice, wheat and flax. The application shows that it is the successor in interest of G. C. Holmes, an individual formerly operating the business under the firm name of Holmes Warehouse Company, that said G. C. Holmes by Decision No. 42822, dated May 3, 1949, was authorized to issue a promissory note to Reconstruction Finance Corporation in the principal sum of \$95,000, which note was assumed by applicant upon taking over the business and properties in 1950, and that the principal amount of said sum has been reduced to \$59,067.08 which will become due and payable on July 31, 1954. It appears that applicant now has made arrangements to borrow the sum of \$40,000 from The Anglo California National Bank of San Francisco and that it proposes to use said sum, together with cash on hand

and to be obtained from other sources, to liquidate the remaining balance on the Reconstruction Finance Corporation note.

The sum to be borrowed from The Anglo California National Bank of San Francisco will be represented by a promissory note, payable in installments of \$500, or more, on the first day of each month beginning on July 1, 1953, and continuing for a period of five years, together with interest at the rate of 5½% per annum. The payment of the note will be secured by a deed of trust, by a mortgage of chattels and by an assignment of rents.

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, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Holmes Warehouse Co., a corporation, may issue a promissory note in the principal amount of \$40,000 for the purpose of refinancing outstanding indebtedness, and may execute a deed of trust, a mortgage of chattels and an assignment of rents, which documents shall be in, or substantially in, the same form as those filed in this proceeding as Exhibits A to D, inclusive.
2. Holmes Warehouse Co. shall file with the Commission monthly reports as required by 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 Holmes Warehouse Co. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code.

Dated at San Francisco, California, this 26th day of May, 1953.

R. Z. [Signature]
President

Justin F. [Signature]
Harold [Signature]

Lawrence [Signature]
[Signature]
Commissioners

