

ORIGINAL

Decision No. 59223

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of: IMPERIAL TRUCK LINES, INC.,
a corporation for authority to
issue a promissory note, chattel
mortgage and deed of trust pursuant
to Sections 816-830 and 851-853 of
the California Public Utilities
Code.

Application No. 41582

OPINION AND ORDER

Imperial Truck Lines, Inc., applicant herein, is a California corporation engaged in business as a highway common carrier of general and special commodities between various points in southern California and as a city carrier, a highway contract carrier and a radial highway common carrier. In this application it seeks authorization to issue a note to Small Business Administration in the amount of \$110,000 and to execute a chattel mortgage and deed of trust.

In making this application the carrier reports that presently it is occupying certain terminal facilities in the City of Los Angeles under lease arrangements with Watson Bros. Transportation Co., Inc., which provide for a term of ten years terminating on March 31, 1968 at a monthly rental of \$1,200 plus city and county taxes, and that the lessor now has offered to sell the premises to applicant for the sum of \$105,000 payable in cash upon close of the escrow. Applicant desires to accept the offer and has made, or is making, arrangements to borrow

from Small Business Administration the required sum for the purchase price plus \$5,000 to cover incidental expenses, to liquidate outstanding equipment obligations and to provide working capital.

The proposed borrowing will be represented by a note for \$110,000 payable over a period of ten years with interest at the rate of 5-1/2% per annum, payment to be secured by a deed of trust on the terminal property and a chattel mortgage on motor vehicle equipment.

A review of the application indicates that the terms of the transaction will enable applicant to acquire in fee properties it now holds as a leasehold only, with no increase in the amount or duration of the monthly installments. It appears to us, and we so find, that the transaction will not be adverse to the public interest, that a public hearing is not necessary and that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purposes specified herein, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

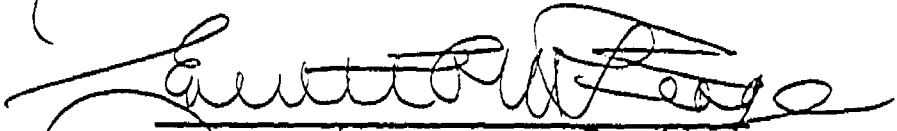
1. Imperial Truck Lines, Inc., on or after the effective date hereof and on or before March 31, 1960, may execute a deed of trust and a chattel mortgage and issue a note to Small Business Administration in the face amount of not to exceed \$110,000 for the purposes set forth in this application.

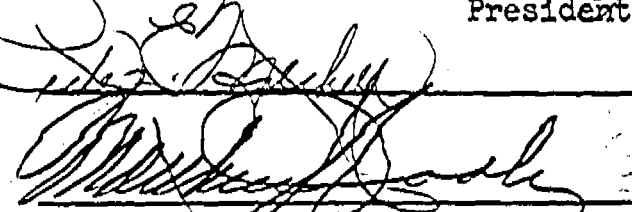
2. The authorization herein granted shall not be construed as a finding of value of the properties to be acquired by applicant.

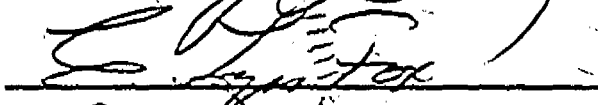
3. Imperial Truck Lines, Inc., shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order and, within 30 days after execution, shall file a copy of the deed of trust, chattel mortgage and note as actually executed.

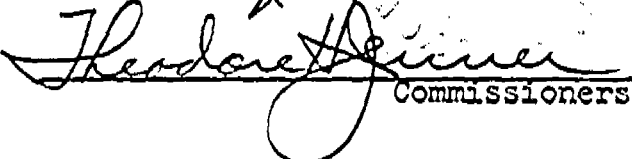
4. The authority herein granted will become effective when Imperial Truck Lines, Inc., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$110.

Dated at Los Angeles, California,
this 3rd day of November, 1959.



President






Commissioners

