

ORIGINAL

Decision No. 59563

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of J. A. NEVIS TRUCKING, INC., a
California corporation, for
authority to sell and convey
certain real property.

Application No. 41826

O P I N I O N

This is an application for an order of the Commission authorizing J. A. Nevis Trucking, Inc., to sell certain real property and improvements.

Applicant is a California corporation engaged in business as a highway common carrier of property between various points and places in California. It reports that it owns and operates, as a terminal, certain real property and improvements located at 1625 South Greenwood Avenue, in the City of Montebello, Los Angeles County, on which there is a deed of trust securing a promissory note in the amount of \$75,000, executed by the applicant and payable to the holder, California Bank as Trustee of the Employees' Profit Sharing Fund of the Utility Trailer Manufacturing Company. The application shows that the holder of the note and deed of trust has offered to purchase said property for the sum of \$113,740, from which shall be deducted the amount of the existing encumbrance of \$28,750, leaving a net balance of \$84,990 to be paid to applicant, and that applicant

intends to use these proceeds to pay some of its outstanding liabilities. On December 31, 1959 said property was carried in applicant's accounts at a net book value of \$51,596.

The application further shows that applicant shall be entitled to lease back said terminal property and facilities for a period of five years at a monthly rental of \$750 in addition to the taxes, improvements, maintenance and other costs associated with the leased facilities. The lease is to be terminated in the event that the buyer sells the property within the five-year term. Applicant is of the opinion that the termination clause contained in the proposed lease will not be disadvantageous since it proposes to locate other terminal facilities closer to the Los Angeles Harbor area which are more suitable to its business and operations.

Applicant, in justification for the proposed sale, states that it is in default in the payments due on the note to California Bank as Trustee of the Employees' Profit Sharing Fund of the Utility Trailer Manufacturing Company and, in addition, that it has obligations past due and owing to other creditors who are pressing for immediate payment. Applicant's October 31, 1959 balance sheet shows current assets of \$159,221.77 and current liabilities of \$245,496.91. It is applicant's intention to use the net proceeds from the sale of the terminal properties and facilities to pay past due and owing obligations without further delay and thus improve its current position.

It appears that there will be no change in applicant's rates or service as the result of the sale, and upon reviewing the verified application, we are of the opinion, and so find, that the transfer, under the terms as proposed, will not be adverse to the public interest and should be authorized.

O R D E R

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary, and that the application should be granted, therefore,

IT IS HEREBY ORDERED as follows:

1. J. A. Nevis Trucking, Inc., may sell and convey to California Bank as Trustee of the Employees' Profit Sharing Fund of the Utility Trailer Manufacturing Company certain real property and improvements located in the City of Montebello, Los Angeles County, and which said real property is more particularly described as follows:

"All that lot and parcel of real property in the County of Los Angeles, State of California, described as:

"The Southerly 236.62 feet of the Northerly 354.93 feet of Lot 7 of East Laguna, in the City of Montebello, as shown on Map marked 'Exhibit A' attached to the decree of partition in Case No. B-81961 of the Superior Court of said County, a certified copy of which decree is recorded in Book 122, Page 162, of Official Records."

2. The action taken herein shall not be construed to be a finding of the value of the real property and improvements herein authorized to be transferred.

3. The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this
1st day of February, 1960.

Everett R. Page
President
John E. Dwyer
William J. Fox
Theodore J. Jenner
Commissioners