

**ORIGINAL**

Decision No. 66170

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN FRANCISCO WAREHOUSE CO., a corporation, for an order authorizing modification of loan agreement.

Application No. 45801  
Filed September 23, 1963

O P I N I O N

This is an application for an order of the Commission authorizing San Francisco Warehouse Co., a corporation, applicant herein, to execute a modification agreement pertaining to the note issued under authority granted by Decision No. 49107, dated September 22, 1953, in Application No. 34695.

Pursuant to said Decision No. 49107, applicant issued a \$580,000 note in favor of The Equitable Life Assurance Society of the United States, wherein the principal is payable in quarterly installments of \$7,250, together with interest at the rate of 4-1/4% per annum to October 1, 1963, and 4-1/2% per annum thereafter, with final payment due on October 1, 1973. The terms of the note contain certain prepayment privileges and the reported outstanding balance of principal was \$164,500 at April 1, 1963.

Applicant reports that the lender has consented to postponing to maturity the time for payment of the principal installments due July 1, 1963, October 1, 1963, January 1, 1964,

and April 1, 1964, provided that effective April 1, 1963, the interest rate on the loan would be 4-1/2% per annum, and from October 1, 1963 through April 1, 1964, it would be 4-3/4% per annum, and thereafter to maturity a rate of 4-1/2% per annum would apply. The revised terms are embodied in the modification agreement which applicant now seeks authority to execute.

It appears that in the past applicant has made payments on said loan in amounts far in excess of the minimum required by the applicable terms of the note but that now, in order to retain cash for additional working capital, it desires to defer meeting certain quarterly payments in accordance with the modification agreement.

The Commission has considered this matter and finds that said modification agreement is not adverse to the public interest and that a public hearing is not necessary.

O R D E R

IT IS ORDERED that San Francisco Warehouse Co., a corporation, may execute a modification agreement in the same form, or in substantially the same form, as that attached to the application as Exhibit B.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 22<sup>nd</sup> day  
of October, 1963.

*[Signature]* President  
*[Signature]*  
*[Signature]*  
*[Signature]*  
*[Signature]* Commissioners

Commissioner William M. Bennett, being  
necessarily absent, did not participate  
in the disposition of this proceeding.