

ORIGINAL

Decision No. 72271

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of

NATIONAL ICE AND COLD STORAGE)
 COMPANY OF CALIFORNIA)
)
 for an order authorizing)
 Applicant to accept assignment)
 of a Promissory Note secured by)
 a Deed of Trust executed by)
 Diamond Cold Storage Co. and)
 made payable to the order of)
 New England Mutual Life)
 Insurance Company in the face)
 amount of Five Hundred Thousand)
 Dollars (\$500,000.00) which)
 will have on May 1, 1967, the)
 proposed date of assignment, a)
 remaining unpaid balance of Four)
 Hundred Nine-Four Thousand)
 Five Hundred Twenty-Eight)
 Dollars Ninety-One Cents)
 (\$494,528.91) together with)
 interest payable monthly on the)
 unpaid balance at the rate of)
 Six per cent (6%) per annum;)
 acceptance by Applicant of)
 Assignment of said Note secured)
 by Deed of Trust will constitute)
 partial payment of the purchase)
 price to be paid by Applicant)
 for certain real property and)
 Cold Storage Warehouse as)
 improvements thereon, proposed)
 to be purchased by Applicant)
 from Diamond Cold Storage Co.)
 on such terms and conditions as)
 is more particularly set forth)
 hereinafter.)

Application No. 49209
Filed March 15, 1967

O P I N I O N

National Ice and Cold Storage Company of California requests authorization to assume payment of a \$494,528.91 long-term note obligation, secured by a Deed of Trust, in connection with the purchase of property.

Applicant, a California corporation, is engaged in the public utility cold storage warehouse business and related activities, principally ice manufacturing, in various cities of California. The application shows that the company is lessee of certain real property, with improvements and equipment thereon, located in the City of Oakland and owned by Diamond Cold Storage Co., a Delaware corporation. Applicant reports that it has arranged to acquire said property for a price of \$897,202.

For the purpose of financing part of the transaction, applicant proposes to assume payment of a long-term note having an unpaid balance of \$494,528.91 as of May 1, 1967. The note is dated November 1, 1966 and was issued by the lessor in favor of New England Mutual Life Insurance Company. It is secured by a Deed of Trust and is repayable in monthly installments of \$3,583.33, including interest at the rate of 6% per annum. As payment for the remainder of said purchase price, the seller will accept a promissory note presently held by applicant.

According to the application, the company's monthly payments on the note obligation will be \$1,081.67 less than those presently required under the terms of the lease.

The Commission has considered this matter and finds that the proposed assumption of the note obligation will not be adverse to the public interest and that applicant has the ability to meet the payments thereunder. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

The authorization herein given is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that National Ice and Cold Storage Company of California, through acceptance of an assignment, may assume payment of the outstanding balance of the debt obligation represented by that certain \$500,000 note dated November 1, 1966, a copy of which is attached to the application as Exhibit 5.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 11th day of APRIL, 1967.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners