

BEFORE THE
WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION
WASHINGTON, D. C.

ORDER NO. 216

Served November 8, 1962

IN THE MATTER OF:

Application of D. C. Transit System, Inc., for permission to issue a Promissory Note in the amount of \$654,000 and Deed of Trust on 50 buses to secure the same.)))))))	Application No. 224
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D. C. Transit System, Inc., has filed an application for permission to issue a Promissory Note, to be secured by a Deed of Trust on fifty (50) buses, payable to the order of Suburban Trust Company, Hyattsville, Maryland, in the amount of \$654,000, with interest on the unpaid balance at the rate of five and one-half (5½) percent per annum. Notice of the application was given as prescribed by the Commission. No person has requested hearing on this matter, and the Commission deems a hearing on this matter to be unnecessary.

On October 9, 1962, D. C. Transit System, Inc., entered into an agreement to lease fifty (50) used buses. The lease was for a term of five (5) years and provided that Transit could purchase the buses at any time during the term of the lease. The applicant intends to consummate the purchase of these vehicles on November 9, 1962, and the purchase price as of that date will be \$653,721.50. The proposed Promissory Note will be paid over a five (5) year period, with monthly installments of \$6,810 for the first fifty-nine (59) months. The sixtieth (60th) payment will be in the amount of \$251,931.50. The Company is of the opinion that it will be possible to amortize the sixtieth (60th) payment over an additional thirty-six (36) monthly installments.

The Commission is of the opinion and finds that the issuance of said note and execution of a Deed of Trust as security therefor is not contrary to the public interest, and that permission should be given authorizing said Note and Deed of Trust.

THEREFORE, IT IS ORDERED:

1. That D. C. Transit System, Inc., be, and it is hereby, authorized

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to issue its note to the Suburban Trust Company of Hyattsville, Maryland, in the maximum amount of \$654,000, at a rate of interest not to exceed five and one-half (5½) percent per annum, and to execute and deliver as security for said note a Deed of Trust.

2. That upon execution of the Promissory Note and of the Deed of Trust herein authorized, copies thereof shall be filed with the Commission.

3. That within thirty (30) days after the payment and cancellation of the Note and satisfaction of the Deed of Trust, herein authorized, D. C. Transit System, Inc. shall advise the Commission of said payment and cancellation of the Deed of Trust.

FOR THE COMMISSION:



DELMER ISON
Executive Director