

Decision No. 37748

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of

AUGUST CARSTENSEN, an individual  
operating a cold storage business  
in the City of Sacramento under  
the name and style of CRYSTAL ICE  
AND COLD STORAGE WAREHOUSE

For an order authorizing him to  
execute an agreement subordinating  
his leasehold interest upon utility  
property to a proposed Deed of  
Trust and Chattel Mortgage.

ORIGINAL

Application  
No. 26603

BY THE COMMISSION:

C O P I N I O N

Under the authority granted by Decision No. 36301,  
dated August 28, 1933, Crystal Ice and Cold Storage Co. leased  
its properties and facilities used in the cold storage warehouse  
business to August Carstensen. He is now the lessee of said  
properties and is conducting the business under the name of  
Crystal Ice and Cold Storage Warehouse.

Crystal Ice and Cold Storage Company engages in the  
manufacture and sale of ice and in other nonutility business.  
Its properties are situated at the corner of 16th and R Streets  
in the City of Sacramento and are more particularly described  
as follows:

"Lots 1, 2, 3 and 4 in the block bounded by R and S and 16th and 17th Streets of said City of Sacramento, according to the official map or plat thereof."

For the purpose of securing the payment of a \$49,000 loan from The Capital National Bank of Sacramento, Crystal Ice and Cold Storage Co. intends to execute a deed of trust and mortgage of chattels which will be a lien on its properties, including those used by August Carstensen in the cold storage warehouse business.

August Carstensen asks permission to execute and deliver an agreement subordinating his interest in the leased properties to the lien of the deed of trust and mortgage of chattels which Crystal Ice and Cold Storage Co. proposes to execute. A copy of the subordination agreement is filed in this application as Exhibit "A." The agreement reads in part as follows:

"in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, receipt whereof is hereby acknowledged, the undersigned, AUGUST CARSTENSEN, Lessee, agrees that his lien, right and interest in the real and personal properties covered by said lease and above described and referred to are and will be junior, subordinate and secondary to said deed of trust and chattel mortgage to the extent and insofar as said deed of trust and chattel mortgage will cover and affect the real and personal properties described in and covered by said lease."

#### O R D E R

The Commission having considered applicant's request and it being of the opinion that this is not a matter on which a hearing is necessary, and that this application should be granted, therefore,

IT IS HEREBY ORDERED that August Carstensen may, on or before July 1, 1945, execute a subordination agreement substantially in the same form as the subordination agreement on file in this application as Exhibit "A."

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof, and that within thirty (30) days after the execution of said subordination agreement, August Carstensen shall file with the Railroad Commission a true and correct copy of said subordination agreement.

Dated at San Francisco, California, this 27<sup>th</sup> day of March, 1945.

Harold Ruden  
Justice J. Querner  
Richard Kaska  
Ernest Lawrence  
Commissioners