

Property

456 Any Ave

Lease Subordination/Estoppel Certificate Type

SNDA - Unconditional (related party)

Lessee Name

Jacob Jones

Date of Lease

08/01/2023

- Is Lessee an Individual or Trust?
- Are there Amendments to the Lease?
- Is the Borrower the named Lessor under the lease?
- Include [To Be Completed] - Tenant Estoppel Certificate

SAMPLE

## LEASE SUBORDINATION AGREEMENT

NOTICE: THIS LEASE SUBORDINATION AGREEMENT RESULTS IN THE LEASEHOLD ESTATE IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS LEASE SUBORDINATION AGREEMENT (this "**Agreement**") is dated as of \_\_\_\_\_, **2023**, and is by and among **LLC BORROWER, a California limited liability company ("Lessor")**, **JACOB JONES ("Lessee")**, and **LOANDOC SOLUTIONS, a California corporation ("Lender")**.

### RECITALS

A. Lender intends to make a loan (the "**Loan**") to Lessor, which Loan is to be evidenced by a Promissory Note (the "**Note**") to be executed by Lessor. The Note is to be secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing of even date therewith (the "**Deed of Trust**"), which Deed of Trust is to be recorded prior to or concurrently herewith and which Deed of Trust encumbers Lessor's ownership interest in the real property in **Los Angeles County**, State of California, described on Exhibit "A" attached hereto and made a part hereof (the "**Subject Property**").

B. Lessee and Lessor entered into a lease, dated **August 1, 2023** (the "**Lease**") pursuant to which Lessee is leasing from Lessor certain premises (the "**Leased Premises**") constituting all or a portion of the Subject Property.

C. Lessee desires to execute this Agreement in order to induce Lender to make the Loan to Lessor, and is willing to agree as herein set forth that its continued occupancy of the Leased Premises under the terms of the Lease shall be subject to the terms of the Deed of Trust and to the terms hereof.

D. Lender is willing to make the Loan provided the Deed of Trust is a lien and charge upon the Leased Premises prior and superior to the Lease and provided that Lessee specifically subordinates the Lease to the lien and charge of the Deed of Trust subject to the terms hereof.

E. Lessee is willing (1) that the Deed of Trust shall constitute a lien or charge upon the Leased Premises which is prior and superior to the Lease subject to the terms hereof and (2) to attorn to Lender.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and conditions set forth herein below, and in order to induce Lender to make the Loan, the parties hereto agree as follows:

1. As used in this Agreement, "**Lease**" includes, without limitation, all right, title and interest that Lessee may have in all or any portion of the Leased Premises, whether granted by the terms of the Lease, by a separate written or oral agreement or otherwise, including without limitation all options, purchase rights, rights of first refusal provided for in the Lease or by separate agreement between Lessor and Lessee.

2. Lessee shall not assign the Lease, nor sublet any portion of the Leased Premises, and Lessor shall not consent to any such assignment or subletting other than as permitted by the terms of the Lease, without the prior written consent of Lender, which consent shall not be unreasonably withheld.

3. The Deed of Trust and any amendments, modifications, renewals and extensions thereof shall be and remain at all times a lien and charge on the Leased Premises, prior and superior to the Lease, to the leasehold estate created thereby and to all rights and privileges of Lessee or any other tenant thereunder, subject to the terms hereof, and the Lease, the leasehold estate created thereby and all rights and privileges of Lessee or any other tenant thereunder are hereby subjected and made subordinate to the lien and charge of the Deed of Trust in favor of Lender, subject to the terms hereof.

4. Lender would not make the Loan without this Agreement.

**Lease Subordination Agreement**

**Loan No.: 123456**

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5. Lender in making disbursements pursuant to any agreement with Lessor is under no obligation or duty to, nor has Lender represented that it will, see to the application of the proceeds of the Loan by Lessor or any other persons to whom Lender disburses the proceeds of the Loan. Any application or use of such proceeds for purposes other than those provided for in any agreement between Lender and Lessor shall not defeat the subordination made in this Agreement, in whole or in part.

6. Lessee intentionally subjects and subordinates the Lease, the leasehold estate created thereby together with all rights and privileges of Lessee or any other lessee thereunder in favor of the lien and charge upon the Leased Premises of the Deed of Trust, subject to the terms hereof, and understands that in reliance upon and in consideration of this subjection and subordination, specific loans and advances are being and will be made and specific monetary and other obligations are being undertaken and will be entered into which would not be made or entered into but for said reliance upon this subjection and subordination.

7. The parties agree that, in the event of foreclosure or other right asserted under said Deed of Trust by the holder thereof, Lender or another Successor (as hereinafter defined) shall have the sole option and discretion either to (a) confirm the termination of the Lease by written notice to Lessee specifying the date of termination which shall be the date ("**Acquisition Date**") that Lender or such Successor acquires or otherwise succeeds to the fee estate of Lessor, or (b) reinstate said Lease by written notice to Lessee within ten (10) business days after such Acquisition Date. If and only if Lender or such Successor elects to reinstate the Lease, then the rights of Lessee thereunder shall continue in full force and effect and shall not be terminated or disturbed, except for a default continuing after notice and beyond any applicable grace period and otherwise in accordance with the provisions of said Lease.

8. If Lender or any subsequent holder of the Deed of Trust, or any person claiming under said holder, including any purchaser upon foreclosure (any of which being referred to as a "**Successor**") acquires or otherwise succeeds to the fee estate of Lessor, whether by a foreclosure, deed in lieu of foreclosure or otherwise, then if such Successor elects under section E.7 above to reinstate the lease, then such Successor shall succeed to the interest of Lessor in said Lease. In such event, Lessee will recognize, and attorn to such Successor as its landlord under the terms of the Lease and be bound to such Successor under the terms of the Lease for the balance of the term thereof and any extensions or renewals thereof. Said attornment is to be effective and self-operative without the execution of any other instruments on the part of either party hereto immediately upon Successor's giving notice of its election to reinstate the Lease; provided, however, that Lessee agrees to provide written confirmation of its attornment within ten (10) days after receipt of a written request for such confirmation by such Successor. In any such event as described above, the Lease shall continue in accordance with its terms between Lessee as tenant and such Successor as landlord; provided, however, that such Successor shall not be:

(a) Liable for any act or omission of any prior landlord (including Lessor) under the Lease (without limiting any rights of Lessee under the Lease for non-monetary defaults of any prior landlord which continues and which such Successor fails to cure within a reasonable time after such Successor acquires Lessor's interest under the Lease);

(b) Subject to any offsets or abatements against rent which Lessee may have against any prior landlord (including Lessor) except for the exercise of rights expressly set forth in the Lease;

(c) Bound by any rent or other charges which Lessee might have paid for more than the current month to any prior landlord (including Lessor) except as expressly required under the Lease;

(d) Bound by any option to purchase or lease, or right of first refusal to purchase or lease, the Subject Property or any portion thereof, if any, set forth in the Lease or in any other document;

(e) Bound by any amendment or modification of the Lease made without its consent, which consent shall not be unreasonably withheld or delayed; or

(f) Such Successor shall only be liable for the landlord's obligations under the Lease accruing during the period of time that such Successor is the owner of the Subject Property.

9. Lessor agrees that, except as expressly provided herein, this Agreement does not constitute a waiver by Lender of any of its rights under the Deed of Trust or related documents, and that the Deed of Trust and any related documents remain in full force and effect and shall be complied with in all respects by Lessor.

10. Lessee agrees with Lender that from and after the date hereof, Lessee will not terminate or seek to terminate the Lease by reason of any act or omission of Lessor thereunder or for any other reason until Lessee shall have given written notice, by registered or certified mail, return receipt requested, of said act or omission to Lender, which notice shall be addressed to:

LOANDOC SOLUTIONS  
111 East St  
San Diego, CA 11111

and until a reasonable period of time shall have elapsed during which period ("**Lender's Cure Period**") Lender shall have the right, but not be obligated, to remedy such act, omission or other matter. Without limiting the foregoing, Lender's Cure Period shall not be less than the greater of: (a) the time allowed Lessor under the Lease, and (b) thirty (30) days. Lender may change the address to which notices intended for it by Lessee are to be directed by means of notice given to Lessee at the address specified below Lessee's signature hereto. Lessee may change its notice address by means of notice given to Lender in accordance with this section E.11.

11. This Agreement shall be the whole and only agreement with regard to the subjection and subordination of the Lease and the leasehold estate created thereby together with all rights and privileges of Lessee or any other lessee thereunder to the lien and charge of the Deed of Trust, and shall supersede and cancel (but only insofar as would affect the priority between the Deed of Trust and the Lease) any prior agreements as to such subjection or subordination, including, without limitation, those provisions, if any, contained in the Lease which provide for the subjection or subordination of the Lease and the leasehold estate created thereby to a deed or deeds of trust or to a mortgage or mortgages.

12. This Agreement shall inure to the benefit of and shall be binding upon Lessee, Lessor and Lender, and their respective heirs, personal representatives, successors and assigns. This Agreement may not be materially altered, modified or amended except in writing signed by all of the parties hereto. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

13. This Agreement shall be governed by, and construed and enforced in accordance with the internal laws of the State of **California**.

14. This Agreement may be executed in multiple counterparts, and the separate signature pages and notary acknowledgments may then be combined into a single original document for recordation.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

NOTICE: THIS LEASE SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR LEASE TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

**SIGNATURE(S) ON FOLLOWING PAGE(S)**

**LESSOR:**

**LLC BORROWER,  
a California limited liability company**

By: \_\_\_\_\_  
**JOHN TEST,  
Manager**

**SIGNATURE(S) CONTINUED ON FOLLOWING PAGE(S)**

**SAMPLE**

**LESSEE:**

\_\_\_\_\_  
**JACOB JONES**

**Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SIGNATURE(S) CONTINUED ON FOLLOWING PAGE(S)**

SAMPLE

**LENDER:**

**LOANDOC SOLUTIONS,  
a California corporation**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SAMPLE

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California ) ss.

County of \_\_\_\_\_ )

On \_\_\_\_\_, 2023, before me, \_\_\_\_\_, Notary Public, personally appeared **JOHN TEST**,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California ) ss.

County of \_\_\_\_\_ )

On \_\_\_\_\_, 2023, before me, \_\_\_\_\_, Notary Public, personally appeared **JANE A. TEST**,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Signature \_\_\_\_\_

Signature of Notary Public

Place Notary Seal Above

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State of California ) ss.

County of \_\_\_\_\_ )

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WITNESS my hand and official seal.

Signature \_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

**EXHIBIT "A"**  
**DESCRIPTION OF THE LAND**

THE LAND REFERRED TO HEREIN IS SITUATED IN LOS ANGELES COUNTY, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

[Insert/Attach Property Legal Description]

APN: 123456

PROPERTY ADDRESS: 456 ANY AVE, ANY TOWN, CA 00000 and 789 ANY AVE, ANY TOWN, CA 00000

*RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:*

LOANDOC SOLUTIONS  
111 East St  
San Diego, CA 11111

Tax Parcel Number(s): **123456**

Space Above for Recorder's Use

SAMPLE