

# TEN THINGS TO KNOW ABOUT SNDAs AND ESTOPPEL CERTIFICATES

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# SNDAs AND ESTOPPEL CERTIFICATES



## > 1. Importance of SNDA

- ❖ Subordination
- ❖ Non-disturbance
- ❖ Attornment

## > 2. Understanding subordination

- ❖ Tenant's interest is subordinated to lender's interest
- ❖ Confirmation that lender's ability to exercise rights will not be hindered

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> 3. Why will Tenant sign the SNDA?

- ❖ Tenant gets non-disturbance in exchange for subordination

> 4. What is attornment?

- ❖ Tenant recognizes new landlord

> 5. Read the lease!

- ❖ Look for terms that affect subordination

> 6. Consider developing a form SNDA

> 7. How to balance new landlord's liability after foreclosure

- ❖ Should new landlord be liable for prior landlord's actions?
- ❖ Should new landlord recognize offsets or security deposits?

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- > 8. Consider other problematic terms in the lease
  
- > 9. What is an estoppel certificate?
  - ❖ Signed statement from party certifying as true certain facts
  - ❖ Lender may rely on facts
  
- > 10. Why is an estoppel certificate important?
  - ❖ Offers snapshot in time
  - ❖ Provides information regarding lease to lender

**THANK YOU!**

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