

## SUBORDINATION OF MORTGAGE AGREEMENT

THIS AGREEMENT made effective as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**BETWEEN:**

[NAME OF LENDER 1]  
[address]  
(the "Original Lender")

OF THE FIRST PART

- and -

[NAME OF LENDER 2]  
[address]  
(the "New Lender")

OF THE SECOND PART

**WITNESSETH:**

**WHEREAS:**

- A. The Original Lender owns and holds the following mortgage (the "Original Mortgage") and the bond or note secured by the Mortgage:

Mortgage dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, made by [Name of Owner] to Original Lender in the principal amount of \$[principal], and recorded in liber \_\_\_\_ of section \_\_\_\_ of Mortgages, page \_\_\_\_ in the office of the \_\_\_\_\_ of \_\_\_\_\_:

[tax map designation]  
[dist.]  
[sec.]  
[blk.]  
[lot]

covering the premises hereinafter more particularly described or a part thereof (the "Premises");

- B. [Name of Owner], being the party which granted the Original Mortgage and the owner of the Premises, wishes to execute and deliver to the New Lender, a mortgage (the "New Mortgage") to secure the principal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), together with interest thereon at the rate of \_\_\_\_\_ per cent per annum (\_\_\_\_%), covering the Premises as described below:

[set out legal description of premises]

and more fully described in the New Mortgage;

- C. The New Lender has agreed to accept the New Mortgage upon the condition that the Original Mortgage be subordinated to the New Mortgage in the manner hereinafter set forth.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that as an inducement to the New Lender to accept the new Mortgage, and in consideration of the premises and the consideration of One Dollar (\$1.00) paid to the Original Lender, the receipt of which is hereby acknowledged by the parties, the parties hereby agree as follows:

**THIS IS A 5-PAGE DOCUMENT (INCL. ACKNOWLEDGEMENTS).**

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