

RECORDING REQUESTED BY:

FREE RECORDING REQUESTED PURSUANT TO GOVERNMENT CODE SECTION 27383

WHEN RECORDED PLEASE MAIL TO:

City of Chula Vista  
Housing Division  
276 Fourth Avenue  
Chula Vista, CA 91910

(SPACE ABOVE FOR RECORDER'S USE ONLY)

SUBORDINATION AGREEMENT

APN: \_\_\_\_\_

Loan # \_\_\_\_\_

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

This Agreement, made this \_\_\_\_\_ day of March 2021, by \_\_\_\_\_, \_\_\_\_\_, husband and wife, all as Joint Tenants, owners of the land hereinafter described hereinafter referred to as "Owner" or "Trustor", and The City of Chula Vista, a public body, corporate and politic, whose address is 276 Fourth Avenue Chula Vista, CA 91910, present owner and holder of the security interest hereinafter described and hereinafter referred to as "Beneficiary":

WITNESSETH:

WHEREAS, \_\_\_\_\_, Husband and Wife, all as Joint Tenants, as the original Owner and Trustor, did execute a deed of trust dated \_\_\_\_\_, to \_\_\_\_\_ Title Company as original Trustee, covering:

SEE EXHIBIT "A" ATTACHED HERETO FOR LEGAL DESCRIPTION

to secure a note in the sum of \_\_\_\_\_ Thousand Dollars and 00/cents (\$ \_\_\_\_\_), in favor of the original Beneficiary under certain Deed of Trust, dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ and recorded on \_\_\_\_\_, as Instrument No. \_\_\_\_\_, of Official Records of the County of San Diego, State of California (the Security Instrument"), and

WHEREAS, Owner or Trustor has executed, or is about to execute, a deed of trust and note in the sum of (not to exceed Two Hundred Thirty-Five Thousand and 00/cents (\$235,000.00); dated \_\_\_\_\_ in favor of \_\_\_\_\_ hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the security instrument first above mentioned; and

**WHEREAS**, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above-described property prior and superior to the lien or charge of the security instrument first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the security instrument first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

**WHEREAS**, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

**NOW, THEREFORE**, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

(1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the security instrument first above mentioned.

(2) That Lender would not make its loan above described without this subordination agreement.

(3) That this agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the lien or charge of the security instrument first above mentioned to the lien or charge of the deed of trust in favor of the Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the Deed of Trust and the Security Instrument, any prior agreements as to such, subordination including, but not limited to, those provisions, if any, contained in the Deed of Trust or Security Instrument, which provide for the subordination of the lien or charge thereof to a deed or deeds of trust or to a mortgage or mortgages to be thereafter executed.

Beneficiary declares, agrees and acknowledges that:

(a) It consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner or Trustor and Lender for the disbursement of the proceeds of Lender's loan;

(b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part; and

(c) So long as this Subordination Agreement is recorded concurrently with the deed of trust in favor of the Lender, it intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the security instrument first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and

(d) An endorsement has been placed upon the note secured by the deed of Trust first above mentioned.

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

**IT IS RECOMMENDED THAT; PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.**

IN WITNESS WHEREOF, The PARTY(IES) has/have signed and sealed this subordination, the day and year above written.

**BENEFICIARY:**

**CITY OF CHULA VISTA**, a municipal corporation

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Leilani Hines, Housing Manager

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**OWNER OR TRUSTOR**

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**Borrower 1**

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**Borrower 2**





## Legal Description