

Prepared by: Donald D. Long, Esq.
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530 E. Main Street
P. O. Box 2057
Charlottesville, VA 22902

GPIN _____

SUBORDINATION, NONDISTURBANCE AND ATTORNMENMENT AGREEMENT

THIS AGREEMENT is made and entered into as of June __, 2021, by and between **Citizens and Farmers Bank** (the "**Bank**") (which term shall include its successors and assigns unless the context otherwise indicates), having an address at 3600 LaGrange Parkway, Toano, Virginia 23168, Attention: Chief Credit Officer, and **Stable Guy LLC**, a Virginia limited liability company ("**Tenant**"), having an address at 218 West Market Street, Charlottesville, Virginia 22902 (Lower Level), under the following circumstances:

A. Heirloom Downtown Mall Development, LLC, a Virginia limited liability company ("**Landlord**") has executed and delivered that a promissory note (the "**Note**") payable to the order of Bank, which Note was executed in connection with a loan agreement and related documents (the Note, the loan agreement and such related documents shall be referred to collectively as the "**Loan Documents**") between Landlord and Bank; and

B. The Note is secured by that certain deed of trust (as the same may be extended, amended, restated, supplemented, or otherwise modified, the "**Deed of Trust**") executed by Landlord and in favor of Bank, which covers the real estate more particularly described in the attached Exhibit A located at 218 West Market Street, Charlottesville, Virginia 22902, (the "**Property**"); and

C. Landlord and Tenant entered into that certain Lease dated June 1, 2020 (as the same may be extended, amended, restated, supplemented, or otherwise modified, the "**Lease**") which covers a portion of the Property as more particularly described therein (the "**Premises**"); and

D. The Note evidences a loan (the "**Loan**") by the Bank to Landlord, and the Bank is unwilling to make advances on the Note unless the Bank and Tenant execute this Agreement.

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank and Tenant hereby agree and covenant as follows:

FIRST: The Lease shall be subject and subordinate to the Deed of Trust and to all renewals, modifications or extensions thereof.

SECOND: So long as Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed, Tenant's possession of the premises described in the Lease and Tenant's rights and privileges under the Lease, or any extensions or renewals thereof

which may be effected in accordance with any option therefor in the Lease, shall not be diminished or interfered with by Bank and Tenant's occupancy of said premises shall not be disturbed by Bank for any reason whatsoever during the term of the lease or any extensions or renewals thereof.

THIRD: If the interests of Landlord shall be transferred to and owned by Bank by reason of foreclosure or other proceedings brought by it or by any other manner, and Bank succeeds to the interest of the Landlord under the Lease, Tenant shall be bound to Bank under all of the terms, covenants and conditions of the Lease for the balance of the term thereof remaining and any extensions or renewals thereof which may be effected in accordance with any option thereof in the Lease, with the same force and effect as if Bank were the Landlord under the Lease, and Tenant does hereby attorn to Bank as its Landlord, said attornment to be effective and self-operative without the execution of any further instruments on the part of either of the parties hereto immediately upon Bank succeeding to the interest of the Landlord under the Lease; provided, however, that Tenant shall be under no obligation to pay rent to Bank, as Landlord, pursuant to this Agreement until Tenant receives written notice from Bank that it has succeeded to the interest of Landlord under the Lease. The respective rights and obligations of Tenant and Bank upon said attornment, to the extent of the then remaining balance of the term of the Lease and any such extensions and renewals, shall be and are the same as now set forth therein; it being the intention of the parties hereto for this purpose to incorporate the Lease in this Agreement by reference with the same force and effect as if set forth at length herein.

FOURTH: Tenant certifies that (a) the Lease is presently in full force and effect; (b) no rent under the Lease has been paid more than thirty (30) days in advance of its due date, (c) that Tenant, as of this date, has no charge, lien or claim of offset under the Lease, or otherwise, against the rents or other amounts due or to become due thereunder, (d) the Tenant is the owner of the "Tenant's" or "Tenant's" interest in the Lease and has not transferred or assigned the Lease or sublet the Premises demised thereby; (e) to the best knowledge of the Tenant, neither the Tenant nor the Landlord is in any way in default under the Lease and (f) no actions, whether voluntary or otherwise, are pending against the Tenant under the bankruptcy or insolvency laws of the United States or any state thereof.

FIFTH: If Bank shall succeed to the interest of Landlord under the Lease, Bank shall be bound to Tenant under all terms, covenants and conditions of the Lease, and Tenant shall, from and after Bank's succession to the interest of Landlord under the Lease, have the same remedies against Bank for the breach of an agreement contained in the Lease that Tenant might have had under the Lease against Landlord if Bank had not succeeded to the interest of Landlord; provided further, however, that Bank shall not be:

- (a) liable for any act or omission of any prior landlord (including the Landlord); or
- (b) subject to any offsets or defenses which the Tenant might have against any prior landlord (including the Landlord); or
- (c) liable for the return of any security deposits not delivered to Bank; or
- (d) bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including Landlord); or

(e) bound by any amendment or modification of the Lease made without Bank's consent; or

(f) obligated to construct or finish the construction or to renovate or finish the renovation of the premises described in the Lease, unless it expressly assumes such obligation after it succeeds to the interest of the Landlord under the Lease.

SIXTH: The Lease now is, and shall at all times continue to be, subject and subordinate in each and every respect, to the Deed of Trust and to any and all renewals, modifications and extensions thereof, but any and all such renewals, modifications and extensions shall nevertheless be subject to and entitled to the benefits of the terms of this Agreement.

SEVENTH: Tenant will notify Bank, by registered or certified mail, return receipt requested, of any default of Landlord which would entitle Tenant to cancel the Lease or abate the rent payable thereunder, and agrees that notwithstanding any provision of the Lease, no notice of cancellation thereof, nor any abatement shall be effective unless Bank has received the notice aforesaid and has failed within 30 days of the date thereof to cure or if the default cannot be cured within 30 days has failed to commence and to diligently prosecute the cure of Landlord's default which gave rise to such right of cancellation or abatement. The address of the Bank is 3600 LaGrange Parkway, Toano, Virginia 23168, Attention: Chief Credit Officer.

EIGHTH: This Agreement and the Lease may not be modified except by an agreement in writing signed by the parties hereto.

NINTH: This Agreement may be recorded by either party at the cost of the recording party.

[SIGNATURE PAGE FOLLOWS]

[LENDER'S SIGNATURE PAGE TO SUBORDINATION,
NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT]

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

LENDER:

CITIZENS AND FARMERS BANK

By: _____
William V. Krebs, Jr.,
Regional President

COMMONWEALTH OF VIRGINIA
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of June, 2021 by William V. Krebs, Jr., as Regional President of Citizens and Farmers Bank, a Virginia banking corporation, on behalf of the corporation.

Notary Public

My Commission expires: _____
Registration No: _____

[Notarial Seal]

[TENANT'S SIGNATURE PAGE TO SUBORDINATION,
NON-DISTURBANCE AND ATTORNMENT AGREEMENT]

TENANT:

Stable Guy LLC

By: _____

Title: _____

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of June, 2021 by _____, as _____ of _____, a [Virginia limited liability company/corporation], on behalf of the limited liability company.

Notary Public

My Commission expires: _____

Registration No: _____

[Notarial Seal]

Exhibit A

Description of Real Estate