


# Sub-Lease Guarantee

- 🔊 You are subleasing some of your space to a 3<sup>rd</sup> party.
- 🔊 Whether you trust them or not, you want another person to guarantee the payment of the rent. Use this agreement with them.
- 🔊 The first part of this cover page should be completed and distributed to the Guarantor along with a copy of the Sublease Guarantee.

Date: **[Date]**

To:  **[Name of Guarantor]**

From: **[Owner/Founder]**  
**[Company]**

Subject: **Sublease Guarantee**

---

Attached is a “Sublease Guarantee” enabling us to sublease the [office/warehouse/equipment] to [Sublessee name].

As we discussed, you won't be responsible unless the sublessee fails to pay the rent.

I believe that it embodies everything we discussed.

Please read the agreement carefully.

We recommend that you also have it reviewed by your own qualified legal counsel.

Time is of the essence.

Please sign and return it to me asap.

Thank you very much!



# From JIAN

## NOTICE:

We wish we could provide an agreement that was tailored *exactly* to your business. While this is not always possible, we feel that we've come very close and that this document provides you with the head-start that you need to get your deal moving. Nevertheless, we must make this disclaimer:

- 🔊 **Do Not Use This Agreement 'As-Is.'**
- 🔊 **This Agreement Is Not Legal Advice.**
- 🔊 **Read it Thoroughly and Make All Appropriate Changes to Fit Your Requirements.**
- 🔊 **You Should Have this Agreement Reviewed and Approved by a Qualified Attorney at Law Before Using It.**
- 🔊 **JIAN Accepts No Liability for the Effectiveness of This Document For Your Purposes.**

## Free Access to Attorneys, Accountants & Consultants in Your Area

We're building a network  business experts who are eager to help you when you need it. They can review your work,  suggestions, handle unique situations and introduce you to influential people. On our website you can search by expertise and location, then e-mail or jump straight to their website. Although they are professionals and charge for their services, most offer an initial consultation free of charge. They're in your area and you can contact them directly.


- Please visit our website under [Expert Referral Network](#).

## Ongoing Update Service Keeps You Current


Things change, laws change, the world changes... new ideas come along all the time. When you register, you can access our website to get updates and changes... like new and improved spreadsheets and documents. They can be downloaded directly to your computer.

- Please visit our website under [Updates](#).
- Remember to bookmark our website: [www.JIAN.com](http://www.JIAN.com)

## Editing Your Sample Contract

Since this entire agreement is formatted in Word, you can edit it like any other Word document. You can jump from variable to variable by clicking the above  green arrows (JIAN Menu) which will take you forward / backward and highlight the entire sample text identified within the “[ ]” brackets – simply edit / type-over with your information.

To make sure you have filled in all the variables, use Word's 'FIND' function to locate any “[ ]” which may contain an unedited variable.


- Click the  icon in the JIAN menu above to turn the expert comments on/off.
- Upon completion, delete any unnecessary blank lines that remain.
- You may format this document any way you like.
- Delete this page.

# Sub-Lease Guarantee

🔊 This is a standard introductory paragraph that lists the parties to the Agreement and the date it is being entered into. You need to enter the date of the Agreement, and the name and address of the Guarantor (the party giving this Guaranty) and the Sublessor (the landlord, so to speak).

Effective Date: [Date]

by [Name of Guarantor], (“Guarantor”)  
residing at [Address of Guarantor]

 in favor of [Company Legal Name], (“Sublessor”)  
a [State] [Corporation / Partnership / Sole Proprietorship]  
located at [Address],  
[City], [State] [Zip Code]

## 1. General

🔊 In the following paragraph, enter the name of the Sublessee, the date of the Sublease Agreement, the square footage of the property leased or to be subleased, the name of the building (if any), and the city and state where it is located.

The Sublessor has entered into a sublease (the “Sublease”) with [Name of Sublessee] (“Sublessee”), dated [Month, Day, Year] whereby the Sublessee has subleased from the Sublessor approximately [Number of square feet] square feet situated in that certain building commonly known as [Building Name], in [City and State] and more particularly described in the Sublease as the Premises (the “Premises”).

The Sublessee is and will be subject to certain obligations, Agreements, duties and covenants under the Sublease (collectively “Sublessee’s Obligations”).

The Sublessor has requested that the Guarantor guarantee to the Sublessor the performance of all of the Sublessee’s Obligations and, but for the Guarantor’s Agreement to so guarantee the Sublessee’s Obligations, the Sublessor would not enter into the Sublease.

🔊 For all intents and purposes, the Guarantor is part of the Sublease Agreement. The Guarantor, by virtue of being jointly and severally liable with the Sublessee, is liable to the Sublessor just the same as the Sublessee is, and, in some cases, more so.

It is the intent of the Guarantor that the Guarantor shall be subject at all times to this guaranty and be and remain liable to the Sublessor to the same extent as if it were jointly and severally liable with the Sublessee for the full performance of all the terms, conditions and provisions of the Sublease.

For good and valuable consideration, and as a material inducement to and in consideration of the

Sublessor entering into the Sublease with the Sublessee, the Guarantor agrees as follows:

- ☞ The only way the Guarantor can be released from this Guaranty is by written Agreement by the Sublessor. Absolutely nothing short of that will relieve or otherwise diminish the Guarantor's obligation to the Sublessor.

## 2. Continuing Guarantee

The Guarantor absolutely and unconditionally guarantees to the Sublessor, its successors and assigns, the full and prompt performance of all of the Sublessee's Obligations including but not limited to the payment when due of all rents, charges and additional sums coming due under the Sublease, and the performance of all covenants and Agreements of the Sublessee contained in the Sublease. The Guarantor further unconditionally guarantees the full and prompt payment of all damages that may arise or be incurred by the Sublessee's failure to perform any of the Sublessee's Obligations.

The Guarantor further unconditionally agrees to pay all expenses, including attorney fees and legal expenses, paid or incurred by the Sublessor in endeavoring to collect or enforce the Sublessee's Obligations or any part thereof. Such payment and performance shall be made or performed by the Guarantor immediately upon default by the Sublessor in endeavoring to collect or enforce the Sublessee's Obligations or any part thereof. Such payment and performance shall be made or performed by the Guarantor immediately upon default by the Sublessee.

This Guaranty shall be an absolute and unconditional guaranty and shall retain in full force and affect as to the Guarantor for the full term of the Sublease and any extensions thereof. Despite termination of the Sublease, the Guarantor shall continue to be liable for all the Sublessee's Obligations that have accrued up to and including the date of termination.

The Guarantor covenants and agrees that it shall not be released from the obligations of this Guaranty, nor shall such obligations be diminished or otherwise affected by (1) any extension of time or other indulgence granted to the Sublessee or other guarantors, or by a waiver with respect to any of the Sublessee's Obligations, (2) any assignment of the Sublease or any further subletting of all or any portion of the Premises, (3) any amendment or modification of the Sublease (except to the extent such amendment or modification affects the Sublessee's Obligations) or (4) any other act or omission of the Sublessor other than a written waiver.

- ☞ Section 3 allows the Sublessor to do a number of things to give additional security, none of which require giving notice to or getting approval from the Guarantor. Furthermore, it permits the Sublessor to renew or alter the Sublease (thus extending the Guarantor's obligation), also without the Guarantor's consent. If there are other Guarantors or forms of security, the Sublessor can release those other guarantors and ignore the other forms of security and resort to the Guarantor for payment of an obligation.

## 3. Sublessor's Rights to Additional Security

The Sublessor may, from time to time, without notice to the Guarantor and without the necessity of the Guarantor consenting thereto:

- (1) obtain the primary or secondary liability of any third party with respect to any of the Sublessee's Obligations,
- (2) obtain security interests in any property owned by any third parties to secure any of the Sublessee's Obligations,
- (3) extend or renew the Sublease for any period (whether or not longer than the original period), alter the Sublease or any of the Sublessee's Obligations,

- (4) release, waive or compromise any liability of the Guarantor or any liability of any other party primarily or secondarily liable on any of the Sublessee's Obligations,
- (5) release or impair any security interest or lien, if any, and in all of the Guarantor and permit any substitution or exchange for any such property, and
- (6) resort to the Guarantor for payment of any of the Sublessee's Obligations, whether or not the Sublessor shall have resorted to any property securing any of the Sublessee's Obligations or any obligations of the Guarantor or shall have proceeded against the Sublessee or any other party primarily or secondarily liable on any of the Sublessee's Obligations.

No such action or failure to act by the Sublessor shall affect the Guarantor's liability under this Agreement in any manner whatsoever. Any amount received by the Sublessor from any source and applied by the Sublessor toward the payment of the Sublessee's Obligations shall be applied in such order of application as the Sublessor may from time to time elect.

🔊 In Section 4, the Guarantor waives a number of rights, such as notice of any change, including extension of the Sublease, any statute of limitations that may apply to the Sublessee, and so on. Basically, the Guarantor has no rights, so long as the Sublessee is on the hook, and in a few cases even when it isn't, the Guarantor will be obligated to the Sublessor.



#### **4. Waiver by Guarantor**

The Guarantor hereby expressly waives:

- (1) notice of the acceptance of this Guaranty,
- (2) notice of the existence, creation, amount, modification, amendment, alteration or extension of the Sublease or all or any of the Sublessee's Obligations, whether or not such notice is required to be given to the Sublessee under the terms of the Sublease,
- (3) presentment, demand, notice of dishonor, protest, and all other notices whatsoever,
- (4) the benefit of any statute of limitations available to the Sublessee or the Guarantor to the fullest extent such waiver is available by law,
- (5) any benefit of valuation, appraisalment, homestead or other exemption law, now or hereafter in effect in any jurisdiction in which enforcement of this Guaranty is sought, and
- (6) all diligence in collection, perfection or protection of or realization upon any of the Sublessee's Obligations any obligation of the Guarantor under this Agreement, or any security for any of the previous.

🔊 While the Guarantor waives all of his rights, the Sublessor waives none of his rights. Thus if he delays or fails to take any action against the Guarantor or the Sublessee, he does not waive his right to pursue that right in the future.

#### **5. Non Waiver by Sublessor**

No delay on the part of the Sublessor in the exercise of any right or remedy either as to the Sublessee or as to the Guarantor shall operate as a waiver thereof, and no final or partial exercise by the Sublessor of any right or remedy shall preclude other or further exercises or the exercises of any other right or remedy. The validity of this Guaranty and the obligations of the Guarantor under this Agreement shall not be terminated, affected or impaired by reason of any action that the Sublessor may take or fail to take against the Sublessee or other guarantors nor by reason of any waiver of, or failure to enforce, any of the rights or remedies reserved to the Sublessor in the Sublease, or otherwise, nor by reason of the bankruptcy, insolvency or inability to pay debts as

they mature of the Sublessee and whether or not the term of the Sublease shall terminate by reason of such bankruptcy, insolvency or inability to pay debts as they mature.

## 7. General Provisions

☞ The General Provisions that follow are fairly standard. These provisions enhance the balance of the Agreement by defining certain common issues such as notice, assignment, legal remedies, waiver, and attorney fees, etc..

7.1 **Independent Contractors.** The relationship between both parties established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to give either party the power to direct and control the day-to-day activities of the other. Neither party is an agent, representative or partner of the other party. Neither party shall have any right, power or authority to enter into any agreement for, or on behalf of, or incur any obligation or liability of, or to otherwise bind, the other party. This Agreement shall not be interpreted or construed to create an association, agency, joint venture or partnership between the parties or to impose any liability attributable to such relationship upon either party.

☞ You may or may not want to make this deal public – at least limit that event by this agreement and work out if/how/when you want to do that later.

7.2 **Publicity.** Neither party will make any public announcement or issue any press release concerning the terms of this Agreement without the prior approval of both parties.

☞ Make it clear that you will not try to hire away each others employees. If you do or it happens then there is compensation built-in and you can avoid further legal proceedings.

7.3 **Non-Solicitation.** Neither party shall solicit for employment or hire the other's current or future employees, either directly or indirectly, during the Term of this Agreement, without obtaining the other's prior written approval. Should an employee change employment from one party to the other, the new employer shall pay the old employer a fee equivalent to Twenty Percent (20%) of the employee's new compensation, annualized for the first year.

☞ You must decide which state governs this Agreement and where any legal action would be taken. Generally, it is your (company's) state of residence.

7.4 **Governing Law & Jurisdiction.** This agreement and the parties' actions under this Agreement shall be governed by and construed under the laws of the state of [State], without reference to conflict of law principles. The parties hereby expressly consent to the jurisdiction and venue of the federal and state courts within the state of [State]. Each party hereby irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party at its address set forth in the preamble of this Agreement, such service to become effective thirty (30) days after such mailing.

☞ This Agreement is intended to be the only Agreement and that no other documents or communications are binding. Therefore, it is very important to make sure that everything [Company] and [Client] have agreed to is included in this Agreement. Otherwise, it is as if it were not agreed to.

7.5 **Entire Agreement.** This Agreement, including the attached exhibits, constitutes the entire Agreement between both parties concerning this transaction, and replaces all previous communications, representations, understandings, and Agreements, whether verbal or written between the parties to this Agreement or their representatives. No representations or statements of any kind made by either party, which are not expressly stated in this Agreement, shall be binding on such parties.

🔊 Any changes to this Agreement must be in writing and signed by the party against whom that writing is to be used.

7.6 **All Amendments in Writing.** No waiver, amendment or modification of any provisions of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom such waiver, amendment or modification is sought to be enforced. Furthermore, no provisions in either party's purchase orders or in any other business forms employed by either party will supersede the terms and conditions of this Agreement.

🔊 All notices between the parties must be in writing and either delivered in person or by certified or registered mail, return receipt requested.

7.7 **Notices.** Any notice required or permitted by this Agreement shall be deemed given if sent by registered mail, postage prepaid with return receipt requested, addressed to the other party at the address set forth in the preamble of this Agreement or at such other address for which such party gives notice hereunder. Delivery shall be deemed effective three (3) days after deposit with postal authorities.

🔊 In the event of a lawsuit or any legal proceeding involving this Agreement, the losing party will have to pay the winning party his or her costs and expenses, including reasonable attorney fees.



7.8 **Costs of Legal Action.** In the event any action is brought to enforce this Agreement, the prevailing party shall be entitled to recover its costs of enforcement including, without limitation, attorneys' fees and court costs.

🔊 Legal remedies, i.e., money damages, may not be sufficient; therefore, both parties agree to equitable remedies such as an injunction where the breaching party would be required to do or not to do something.

7.9 **Inadequate Legal Remedy.** Both parties understand and acknowledge that violation of their respective covenants and Agreements may cause the other irreparable harm and damage, that may not be recovered at law, and each agrees that the other's remedies for breach may be in equity by way of injunctive relief, as well as for damages and any other relief available to the non-breaching party, whether in law or in equity.

🔊 Assuming the parties wish to use Arbitration in the event of a dispute, the following section should be included. You take your chances with an arbitrator, but it keeps legal costs down and keeps you out of a drawn out legal process.

7.10 **Arbitration.** Any dispute relating to the interpretation or performance of this Agreement shall be resolved at the request of either party through binding arbitration. Arbitration shall be conducted in [County], [State] in accordance with the then-existing rules of the American Arbitration Association. Judgment upon any award by the arbitrators may be entered by any state or federal court having jurisdiction. Both parties intend that this Agreement to arbitrate be irrevocable.

🔊 Merely delaying to bring an action that one party has a right to bring does not cause that party to lose or waive his right to pursue that action.

7.11 **Delay is Not a Waiver.** No failure or delay by either party in exercising any right, power or remedy under this Agreement, except as specifically provided in this Agreement, shall operate as a waiver of any such right, power or remedy.

🔊 Neither party will be blamed if there is a problem resulting from something beyond its control, such as an earthquake, flood, war.

7.12 **Force Majeure.** In the event that either party is unable to perform any of its obligations

under this Agreement or to enjoy any of its benefits because of any Act of God, strike, fire, flood, governmental acts, orders or restrictions, Internet system unavailability, system malfunctions or any other reason where failure to perform is beyond the reasonable control and not caused by the negligence of the non-performing party (a “Force Majeure Event”), the party who has been so affected shall give notice immediately to the other party and shall use its reasonable best efforts to resume performance. Failure to meet due dates resulting from a Force Majeure Event shall extend such due dates for a reasonable period. However, if the period of nonperformance exceeds sixty (60) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been affected may, by giving written notice, terminate this Agreement effective immediately upon such notice or at such later date as is therein specified.

- 🔊 This section limits the ability of either party to transfer any of its rights or delegate any of its duties to third parties.
- 🔊 You want to make sure that you can sell your business along with all of the relationships you have developed along the way. (Often these relationships can add tremendous value to your business and you want to make sure that all of your agreements can be transferred to the new owners.) I wouldn't want to seek (let alone pay for) permission to sell my company.
- 🔊 Generally, neither party may assign their respective rights to a third party; however, with the possible exception of assignment to a successor corporation or partnership, either party may transfer its rights or obligations under this Agreement without the approval of the other party. This Agreement would be binding on the 3<sup>rd</sup> party.
- 🔊 However, you may want to limit each other's ability to pass along this deal to another possibly unknown and possibly unfriendly entity. The second paragraph prevents unauthorized transfer of responsibilities...
- 🔊 CHOOSE one or the other of these two following paragraphs.

**7.13 Assignability & Binding Effect.** Except as expressly set forth within this Agreement, neither party may transfer or assign, directly or indirectly, this Agreement or its rights and obligations hereunder without the express written permission of the other party, not to be unreasonably withheld; provided, however, that both parties shall have the right to assign or otherwise transfer this Agreement to any parent, subsidiary, affiliated entity or pursuant to any merger, consolidation or reorganization, provided that all such assignees and transferees agree in writing to be bound by the terms of this Agreement prior to such assignment or transfer. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

🔊 ~ Or ~

- 🔊 This paragraph DOES NOT ALLOW either party to transfer its rights to a successor company without prior approval.

**7.13 Non-Assignability & Binding Effect.** Except as otherwise provided for within this Agreement, neither party may assign any of its rights or delegate any of its obligations under this Agreement to any third party without the express written permission of the other. Any such assignment is deemed null and void.

- 🔊 If any part of this Agreement is unenforceable or invalid, the balance of the Agreement should still be enforced. Basically, ignore any sections that are invalid.

**7.14 Severability.** If any provisions of this Agreement are held by a court of competent jurisdiction to be invalid under any applicable statute or rule of law, they are to that extent to be deemed omitted and the remaining provisions of this Agreement shall remain in full force and effect.



🔊 The headings of the various sections are meant to explain or otherwise give meaning to those sections; they are for convenience only.

7.15 **Cumulative Rights.** Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative upon all other rights and remedies described in this section and allowed under applicable law.

7.16 **Headings.** The titles and headings of the various sections and sections in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement.

🔊 Every copy shall be just as valid as the original.

7.17 **Counterparts.** This Agreement may be executed in multiple counterparts, any one of which will be considered an original, but all of which will constitute one and the same instrument.

🔊 Even after the termination of the Agreement, the parties may still have certain responsibilities such as keeping information confidential.

7.18 **Survival of Certain Provisions.** The warranties and the indemnification and confidentiality obligations set forth in the Agreement shall survive the termination of the Agreement by either party for any reason.

### **Understood, Agreed & Approved**

We have carefully reviewed this contract and agree to and accept all of its terms and conditions. We are executing this Agreement as of the Effective Date above.

### **Guarantor:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name