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**TOPIC: TENANT ESTOPPEL**

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A "tenant estoppel" is a document signed by an existing tenant in which the tenant acknowledges certain things about the status of the lease and the landlord-tenant relationship. It is significant because a purchaser of the property will step into the seller's shoes and will inherit the seller's landlord position. A thorough tenant estoppel will include the following covenants: a) The lease (which should be attached to the estoppel document) is the complete lease, remains in effect and has not been modified or amended; b) the landlord is not in breach of the lease; and c) the tenant's obligations are not subject to set-offs, defenses, etc.

In a commercial setting, "tenant estoppels" are the norm, but they are seen less frequently in residential settings.

If you're a purchaser at the pre-contract stage and you want a "tenant estoppel," be sure to include the requirement as a contract contingency.