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PenFed Realty Merges With Prudential Carruthers Realtors

Transaction adds over 800 agents in Baltimore/Washington metro area

October 10, 2011, Alexandria, Va. – PenFed Realty, a wholly owned subsidiary of Pentagon Federal Credit Union, the nation's third-largest credit union, announced today that it has acquired Prudential Carruthers Realtors, a leading regional real estate broker. The new company, which now has over 1,100 real estate sales professionals and 35 office locations in the Baltimore/Washington metropolitan area including the Delmarva Peninsula, will be renamed Prudential PenFed Realty. The expansion will allow PenFed to better serve the real estate needs of the many members of the military and Department of Defense in the D.C. metropolitan area and further enhance PenFed's market presence with the installation of ATMs in each of the new branch offices. Terms of the transaction were not disclosed.

"We are excited to be able to work with the best real estate talent in the business," says James Schenck, Executive Vice President, PenFed. "The Carruthers have spent their entire professional careers in the real estate business recruiting and retaining the very finest real estate professionals. We are glad to have the entire team join us as we leverage their knowledge and successes to deliver the very best real estate experience nationwide."

"We welcome the opportunity to continue to help PenFed Realty expand," said Tom Carruthers, Jr. who will be Senior Advisor to Prudential PenFed Realty on Strategy and Acquisitions.

"We view this as a great opportunity for our sales professionals and employees to be a part of an organization which brings great value and service to the consumer," said Tom Carruthers III, President of Prudential Carruthers Realtors who will join PenFed's corporate staff as Vice President for Real Estate Mergers and Acquisitions.

PenFed Realty first opened its doors for business in 2006 in the D.C. metropolitan area, and then later established a foothold in the San Antonio, Texas and Fayetteville, North Carolina markets. PenFed Realty offers comprehensive real estate services nationwide through its direct service offices and national relocation program. "The rapid growth of PenFed Realty and positive response from our sales professionals and clients is a success story worth telling," said Kevin Wiles, President of PenFed Realty. "We have created an agent model featuring unparalleled business development opportunities, marketing resources and agent support services. The resulting agent stability allows a first rate customer experience that has been successful throughout the real estate downturn."

Over the past few years, PenFed Realty has increased its presence in multiple states by growing its Affinity Program in which it offers eligible members a closing cost rebate while providing them a full-service REALTOR® experience. This very attractive value proposition has led to sustained year-over-year growth in all of its business divisions across all its markets.

Prudential PenFed Realty, in conjunction with PenFed, will be able to deliver great value to the consumer, exceptional mortgage products, and integrated title services, which allow PenFed to pay significant amounts toward closing costs on some products. In addition, Prudential PenFed Realty will be able to provide a first class work environment, a market-leading pay and benefits package, and a Realtor® experience and savings to the consumer that are unequaled in the current marketplace.

About Pentagon Federal Credit Union

Pentagon Federal Credit Union (PenFed) is the third largest credit union in the United States with over a million members, and more than \$15 billion in assets. The credit union provides worldwide service to Army, Marine Corps, Navy, Air Force, Coast Guard, Department of Defense, and Department of Homeland Security personnel, members of the VFW, employees or volunteers of the American Red Cross, and many others in the defense community and their families. For more information about PenFed's mortgage services and to apply for membership, visit www.PenFed.org or call 800-247-5626.

About PenFed Realty

PenFed Realty, LLC (PFR) was established in the Washington, D.C. metropolitan area in 2006, and is a full-service real estate brokerage firm that is a wholly-owned subsidiary of PenFed. PenFed Realty offers comprehensive real estate services nationwide to both PenFed members and non-members alike, and is affiliated with some of the most talented real estate sales professionals in the industry. Every licensed real estate sales professional is a REALTOR®, a designation reserved only for real estate agents who are members of the National Association of REALTORS® and who adhere to a stringent Code of Ethics and Professional Standards. For more information about PenFed Realty, LLC and the services provided, visit www.PenFedRealty.com or call 800-556-8077.

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