

This subordination agreement is made this _____ day of _____, 20____ by Pentagon Federal Credit Union (PenFed), of 6191 N. State Hwy 161, Suite 500, Irving, TX 75038, ("Beneficiary") and _____, of _____, _____ County, _____ ("Trustor").

RECITALS

A. The Trustor executed a Deed of Trust on _____, 20____, in favor of the Beneficiary, which was recorded on _____, _____, in book _____, page _____, document (no.) _____ in the office of the _____ of _____ County, _____, ("Beneficiary's Deed of Trust") covering the following described property:

B. The Beneficiary's Deed of Trust was given as security for a note described therein, for \$ _____ executed on _____, _____, by the Trustor in favor of the Beneficiary.

C. The Trustor obtained or is about to obtain a loan of \$ _____ from _____ of _____, _____, _____ County, _____, ("Lender"), which will be secured by a new deed of trust ("Lender's Deed of Trust").

D. The Lender requires the Lender's Deed of Trust be prior and superior to the Beneficiary's Deed of Trust.

E. The Beneficiary is willing to subordinate the lien of the Beneficiary's Deed of Trust in its favor to the extent it encumbers the above-described premises, to the Lender's Deed of Trust so the Trustor may obtain the loan from the Lender.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

SECTION ONE - SUBORDINATION

As an inducement to the Lender to grant the loan to the Trustor, the Beneficiary and the Trustor do hereby agree the Beneficiary's Deed of Trust shall be subordinate to the Lender's Deed of Trust that will be recorded with this subordination agreement. The Beneficiary and the Trustor further agree the lien of the Lender's Deed of Trust shall be and is in all respects a lien prior and superior to the lien of the Beneficiary's Deed of Trust.

SECTION TWO - LOAN TERMS

The terms of the loan from the Lender to the Trustor are as follows: _____. The Beneficiary agrees the Beneficiary's Deed of Trust shall be subordinate to the lender's Deed of Trust under these terms, it being understood the subordination hereunder does alter, diminish or otherwise limit the Beneficiary's rights under the Beneficiary's Deed of Trust.

SECTION THREE - INUREMENT; BINDING EFFECT

This agreement shall inure to the benefit of the Lender, its successors and assigns, and shall be binding on the beneficiary and the trustor and their respective successors and assigns.

The parties have executed this agreement at _____ on _____, _____.

PENTAGON FEDERAL CREDIT UNION

By: _____

Printed Name: _____

Title: _____

State of: _____

County/City of: _____

Personally appeared before me, the undersigned Notary Public in and for the said County/City and State, on this day of _____, _____ the within named _____, who acknowledged s/he is _____ of _____, a corporation, and for and on behalf of the said corporation, and as its act and deed, s/he executed the above and foregoing subordination agreement, after first having been duly authorized by said corporation so to do.

Notary's Signature: _____

Notary's Printed Name: _____

My Commission Expires: _____

TRUSTOR

By: _____

State of: _____, County/City of: _____

Personally appeared before me, the undersigned Notary Public in and for the said County/City and State, on this day of _____, _____, the individual named above and acknowledged this instrument was signed and sealed as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

Notary's Signature: _____

Notary's Printed Name: _____

My Commission Expires: _____

TRUSTOR

By: _____

State of: _____, County/City of: _____

Personally appeared before me, the undersigned Notary Public in and for the said County/City and State, on this day of _____, _____, the individual named above and acknowledged this instrument was signed and sealed as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

Notary's Signature: _____

Notary's Printed Name: _____

My Commission Expires: _____