

SUBORDINATION AGREEMENT

STATE OF NORTH CAROLINA
COUNTY OF _____

THIS AGREEMENT, made and entered into this ____ day of _____, 20____, by and between _____ (“Subordinating Lender”) and _____ (“New Lender”);

WITNESSETH:

THAT WHEREAS, by Deed of Trust recorded in Book _____, Page _____ of the _____ County Registry (the “Existing Deed of Trust”), _____ (Grantor/Mortgagor) conveyed to _____ as Trustee for _____ (Beneficiary/Mortgagee), real estate located in _____ County, North Carolina, as more particularly described in said Existing Deed of Trust, to secure certain indebtedness therein set out; and

WHEREAS, Subordinating Lender is the sole holder and owner of the indebtedness secured by the Existing Deed of Trust; and

WHEREAS, New Lender has agreed to lend to Borrower the sum of \$_____, said loan to be secured by a deed of trust upon condition that said Existing Deed of Trust be subordinated to the lien of New Lender’s deed of trust; and,

WHEREAS, Subordinating Lender has agreed to such subordination; and pursuant to the written requirement within the Existing Deed of Trust, has directed its Trustee, _____, to join in the execution of this Agreement for the purpose of subordinating to the deed of trust to New Lender; OR pursuant to NCGS § 39-6.6, the Trustee is not a necessary party to this subordination.

NOW, THEREFORE, said Subordinating Lender, for a valuable consideration to it in hand paid, does hereby contract and agree with New Lender that the deed of trust from Borrower to New Lender in the amount of \$_____, heretofore or hereafter recorded, shall be a lien upon said lands superior to the Existing Deed of Trust recorded in Book _____, page _____, of the _____ County Registry; and to carry out said purpose, said Subordinating Lender hereby releases, remises and forever quitclaims unto New Lender, its successors and assigns, the title to and lien upon said lands to the extent, but to the extent only, that the Existing Deed of Trust now held by it shall be subordinate to a deed of trust in the maximum amount of \$_____ to New Lender heretofore or hereafter recorded in the _____ County Registry, conveying that property described on Exhibit A attached hereto and incorporated by reference herein.

It is expressly understood and agreed that except for such subordination, the Existing Deed of Trust now held by Subordinating Lender and all and singular the terms and conditions thereof shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, the Trustee, if necessary, and Subordinating Lender have duly executed this Agreement as of the day and year first above written.

INDIVIDUAL TRUSTEE EXECUTE HERE:
(IF NECESSARY)

_____(SEAL)
Print/Type Name: _____, Trustee

INDIVIDUAL SUBORDINATING LENDER EXECUTE HERE:

_____(SEAL)
Print/Type Name: _____

NON-INDIVIDUAL TRUSTEE EXECUTE HERE:
(IF NECESSARY)

_____, Trustee
(Entity Name)

By: _____
Print/Type Name: _____
Title: _____

By: _____
Print/Type Name: _____
Title: _____

By: _____
Print/Type Name: _____
Title: _____

NON-INDIVIDUAL SUBORDINATING LENDER EXECUTE HERE:

(Entity Name)

By: _____
Print/Type Name: _____
Title: _____

By: _____
Print/Type Name: _____
Title: _____

By: _____
Print/Type Name: _____
Title: _____

State of _____
County of _____

TRUSTEE ACKNOWLEDGMENT

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: _____ [insert name(s) of principal(s)].

Date: _____

_____, Notary Public
Notary's Printed or Typed Name

(Official/Notarial Seal)

My commission expires: _____

State of _____
County of _____

SUBORDINATING LENDER ACKNOWLEDGMENT

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: _____ [insert name(s) of principal(s)].

Date: _____

_____, Notary Public
Notary's Printed or Typed Name

(Official/Notarial Seal)

My commission expires: _____