

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT, dated as of \_\_\_\_\_, 20\_\_, is made by \_\_\_\_\_ HABITAT FOR HUMANITY ("Habitat"), a Mississippi-based affiliate, for the benefit of MISSISSIPPI HOME CORPORATION, an instrumentality of the State of Mississippi, (MHC").

WITNESSETH:

WHEREAS, \_\_\_\_\_ (Borrower) has granted to Habitat that certain Deed of Trust dated \_\_\_\_\_ (the Habitat Deed of Trust) securing the indebtedness to Habitat described therein with all of Borrower's right, title and interest in and to certain real property located in \_\_\_\_\_ County, Mississippi, which is more particularly described as follows (the Property):

SEE ATTACHED EXHIBIT A

and

WHEREAS, the Habitat Deed of Trust was recorded on \_\_\_\_\_, in the Records of Mortgages and Deeds of Trust on Land in the office of the Chancery Clerk of \_\_\_\_\_ County, Mississippi, in Book \_\_\_\_\_, Page \_\_\_\_\_; for the amount of \_\_\_\_\_, and

WHEREAS, MHC has agreed to make a first mortgage loan to Borrower in the amount of \$ \_\_\_\_\_ and will accept a Deed of Trust (the MHC's Deed of Trust) covering all of Borrower's right, title and interest in and to the Property, provided that MHC will have a first priority lien against the Property; and

WHEREAS, MHC has requested that Habitat subordinate its security interest in the Property to that of MHC, and Habitat is willing to agree to such request upon the terms and conditions of this Subordination Agreement.

NOW, THEREFORE, in consideration of the foregoing, Habitat agrees as follows:

Section 1. Subordination. For valuable consideration, the receipt of which is hereby acknowledged, Habitat thereby agrees that the security interest in the Property created by the Habitat Deed of Trust shall be junior and subordinate to the security interest of MHC in the Property to the extent of the terms of MHC's Deed of Trust.

Section 2. Order of Filing, etc. The priorities set forth herein are applicable irrespective of the time, order or method of attachment or perfection of the respective security interest of Habitat or MHC or of the time or order of filing of the Habitat Deed of Trust or the MHC's Deed of Trust.

Section 3. Notices. This Subordination Agreement is conditioned on MHC's giving Habitat at least 30 days written notice prior to commencing any foreclosure proceedings or other similar creditor enforcement proceedings with respect to the Property or the Borrower. All notices, requests and other communications to Habitat shall be in writing and

shall be given to such party, addressed to it, at its address set forth herein or such other address as Habitat may hereafter specify for such purpose by notice to MHC. All such notices and communications shall be deemed given upon receipt.

Section 4. Benefit of Subordination Agreement. This Subordination Agreement shall be binding upon, and inure to the benefit of Habitat, MHC, and their respective successors and assigns. This Subordination Agreement is solely for the benefit of said parties (and their respective successors and assigns), and no other person shall have any right, benefit, priority or interest under or because of the existence of this Subordination Agreement.

IN WITNESS WHEREOF, this Subordination Agreement has been duly executed as of the day and year first above written.

Address: \_\_\_\_\_ HABITAT FOR HUMANITY

\_\_\_\_\_ By: \_\_\_\_\_

\_\_\_\_\_ Its: \_\_\_\_\_

STATE OF MISSISSIPPI

COUNTY OF

Personally appeared before me, the undersigned authority in and for the said county and state, on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, within my jurisdiction, the within named \_\_\_\_\_, who acknowledged that he/she is the \_\_\_\_\_ of \_\_\_\_\_ HABITAT FOR HUMANITY, an instrumentality of HABITAT FOR HUMANITY, INTERNATIONAL, and that for and on behalf of said instrumentality and as its act and deed, he/she executed the above and foregoing Subordination Agreement, after first having been duly authorized so to do.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

INSTRUMENT PREPARED BY:

INDEXING INSTRUCTIONS: