

REQUEST TO SUBORDINATE A CITY OF LOS ANGELES REAL ESTATE LOAN OWNER-OCCUPIED SINGLE FAMILY RESIDENCE (1-4 UNITS)

With the help of your Broker/Lender, you may REQUEST TO SUBORDINATE your loan with HCIDLA. Please complete and sign where indicated all of the attached forms. Provide all required documentation which must be legible.

Please be advised of the following:

1. **“CASH-OUT REQUESTS”** are only allowed under the following conditions:
 - a. The first Mortgage Lender must be a Fannie Mae, Freddie Mac, or FHA- Compliant Lender.
 - b. The combined loan-to-value ratio for the new first plus, HCIDLA loan must be less than or equal to 85% of the appraised value of the home. The appraisal must meet the industry standard.
 - c. The ratio of total monthly payment obligations, including housing payment to the Borrower's monthly income, must not exceed 45%.
 - d. **EQUITY SHARE LOANS** – Borrowers must pay HCIDLA a percentage of the net equity (“cash-out”) derived from refinancing. This percentage is HCIDLA's participation in the total financing at the time purchase assistance was provided. This amount paid will be deducted from the amount due to HCIDLA upon sale or future refinance.
2. **The City will only subordinate Fixed-Rate Loans.**
3. No Lender “Pre-Payment Penalties” are included or allowed. The new loan must be amortized no less than 15 years. Your new loan may provide for “reasonable costs” necessary to refinance.
4. **The City will not subordinate to a lower Title Position.**
5. The City will not subordinate if the Borrower is noncompliant with terms and conditions of Loan Agreement, Regulatory Agreement, or any other applicable terms of the governing agreements. This includes both Monetary and Non-Monetary Defaults.
6. **The Application and all other required attachments must be completed and submitted with the non-refundable fee payable to AMERINAT.**

The appropriate fee for rate and term for a “NO CASH-OUT” refinance is \$300 and a “CASH-OUT” is \$500. **The Application must be submitted with a Money Order, Cashier Check, or Association Check only.**
7. All of the listed items (see attached “BORROWER’S REQUIRED DOCUMENTATION”) must be completely filled out, signed and dated, and sent in a single-package before your Subordination Request can be considered. **Incomplete applications will be returned and must be resubmitted for reconsideration along with the appropriate fee.**
8. Any non-conforming request(s) must be fully justified by the Lender/Broker in writing.

MAIL APPLICATION TO:

Mr. Danny Martinez
AMERINAT
8121 East Florence Avenue, Downey, CA 90240

Once a full package is submitted and received, the expected turn-around time is approximately 21-days. **Mr. Martinez may be reached at (562) 927-6686 ext. 1209.**

For all of inquiries or additional information needed, please call **Monday through Friday, 8:00 a.m. to 4:30 p.m.,** the **HCIDLA – Loan Portfolio Unit** at **(213) 808-8801** or **3-1-1** for TTY.

BORROWER'S REQUIRED DOCUMENTATION

HCIDLA SUBORDINATION APPLICATION

Please attach the following documentation with your request. **ALL DOCUMENTATION** must be **less than SIX MONTHS OLD**, and it must be **SIGNED** and **DATED** by the Borrower and Broker or Lender, as applicable:

1. Borrower Driver's License (with the subject property address)
2. Borrower Authorization (attached)
3. Broker Contact Information (attached)
4. Broker / Lender Worksheet (attached)
5. Title Report or Title Insurance
6. Loan Application – FNMA 1003
7. Uniform Underwriting and Transmittal Summary – FNMA 1008
8. Loan Approval (showing Lender's name, loan amount, interest rate, loan term lock rate, expiration date/loan commitment expiration date)
9. Escrow's Estimated Closing Statement OR Closing Estimate
10. Credit Report
11. Mortgage Statement (most recent).
12. For "**Cash Out Requests**" additional documents are needed:
 - a. Appraisal Report (current);
 - b. Copy of last two years completed Federal Income Tax Return with all pages and attachments; and
 - c. Rent Roll (for 2 – 4 Units only)
13. For "**Equity Share Loans**" – calculate amount due the City/HCIDLA, you must provide the following documents:
 - a. Certified copy of the "**ESTIMATED CLOSING STATEMENT**" when property was originally purchased; and
 - b. Written proof of any **Capital Improvements** made to the property. Each Capital Improvement must cost at least \$2,000 and be accompanied by Building Permits.
14. Any and other documents requested
15. **Lender / Title Company "OVERNIGHT DELIVERY LABEL" (e.g., FedEx, UPS, DHL, etc.)**



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

BORROWER'S AUTHORIZATION HCIDLA SUBORDINATION APPLICATION

I/We have applied for “**Subordination**” with the LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT – “HCIDLA” (formerly known as the Los Angeles Housing Department – “LAHD”). As part of the Application process, Lender may verify information contained in my/our Loan Application and in other documents required in connection with the loan.

I/We authorize you to provide to Lender any and all information and documentation that they request. Such information includes, but is not limited to: employment history and income; bank, money market and similar account balances; credit history; and copies of Income Tax Returns. A copy of this Authorization may be accepted as an “original.”

BORROWER SIGNATURE: _____ **DATE:** _____
PRINT NAME: _____

BORROWER SIGNATURE: _____ **DATE:** _____
PRINT NAME: _____

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PRINT NAME: _____

BORROWER SIGNATURE: _____ **DATE:** _____
PRINT NAME: _____

CONTACT INFORMATION

HCIDLA SUBORDINATION APPLICATION

Please **PRINT** or **TYPE CLEARLY** and submit this form along with the "Subordination Application."

BORROWER INFORMATION

BORROWER NAME(S): _____

PROPERTY ADDRESS: _____
Street City State Zip Code

TELEPHONE NUMBERS: Daytime: () Mobile: ()

E-MAIL: _____ TOTAL AMOUNT OF HOUSEHOLD INCOME: \$ _____

REASON FOR REFINANCE: _____

1ST DEED OF TRUST IS CURRENT: YES NO PROPERTY TAXES ARE CURRENT: YES NO

PROPOSED "NEW" LENDER INFORMATION

NEW LENDER NAME: _____

NEW LENDER'S MAILING ADDRESS: _____
Street City State Zip Code

NEW LENDER'S TELEPHONE NUMBERS: Office: () Fax: ()

LOAN AGENT NAME: _____ COMPANY NAME: _____

OFFICE NO.: () FAX: () E-MAIL: _____

TITLE / ESCROW INSTRUCTION

TITLE / ESCROW COMPANY NAME: _____

TITLE / ESCROW MAILING ADDRESS: _____
Street City State Zip Code

TITLE / ESCROW TELEPHONE NUMBERS: Office: () Fax: ()

TITLE / ESCROW CONTACT: _____ E-MAIL: _____

SURBORDINATION CONTACT – "SOLE POINT OF CONTACT"

COMPANY NAME: _____

SUPERVISOR NAME: _____

MAILING ADDRESS: _____
Street City State Zip Code

TELEPHONE NUMBERS: Direct: () Fax: ()

BROKER / LENDER WORKSHEET

HCIDLA SUBORDINATION APPLICATION

- Please complete the following and submit this form along with the **“Subordination Application.”**
- If this form is incomplete, completed improperly, unsigned, or if any spaces are left blank, ***the Subordination request will NOT be processed.*** (Please Type or Print clearly.)

BORROWER NAME _____ SSN/ FED TAX ID _____

BORROWER NAME _____ SSN/FED TAX ID _____

MAILING ADDRESS _____

MAILING ADDRESS _____

$\$$ _____ = $\$$ _____ + $\$$ _____ + $\$$ _____ + $\$$ _____ + $\$$ _____ + $\$$ _____
 PROPOSED LOAN AMOUNT REFINANCE AMOUNT CASH OUT BROKER FEE LENDER FEE CLOSING COSTS*

**Reasonable refinancing costs are limited to title escrow recording appraisal and origination fees. Please check the restrictions on HCID PN.*

OCCUPANCY STATUS RESIDENCY

PRIMARY _____

INVESTMENT PROPERTY _____

ANNUAL PROPERTY TAXES \$ _____ ANNUAL INSURANCE \$ _____

CURRENT STATUS

	MORTGAGE HOLDER	PRESENT BALANCE	MONTHLY PAYMENT*	LOAN TERM	INTEREST RATE	LOAN TO VALUE	PREPAY PENALTY
1 ST							
2 ND							
3 RD							
4 TH							
TOTAL							

**Exclude Property Taxes and Homeowner's Insurance from the monthly payment.*

AFTER-SUBORDINATION

	MORTGAGE HOLDER	PRESENT BALANCE	MONTHLY PAYMENT*	LOAN TERM	INTEREST RATE	LOAN TO VALUE	PREPAY PENALTY
1 ST							
2 ND							
3 RD							
4 TH							
TOTAL							

**Exclude Property Taxes and Homeowner's Insurance from the monthly payment*

I, THE UNDERSIGNED, certify that the information provided in this application is true and correct as of the date set forth opposite my signature on this application. I, ACKNOWLEDGED, any misrepresentation(s) of the information contained herein which results in Civil Liability and/or a loss to the City of Los Angeles, the Housing + Community Department Los Angeles (“HCIDLA”), its Agents, Successors, Assigns, Insurers and any other party who may suffer a loss due to reliance upon any information contained herein may result in Civil recourse against “The Undersigned.” I FURTHER ACKNOWLEDGE, “HCIDLA” at its sole discretion shall have the right to use the information contained herein to refer “The Applicant” to an Alternate Lender for analysis and potential offers of competitive financing in order for “HCIDLA” to protect its security interest as a Subordinated Lender.

BROKER/LENDER SIGNATURE: _____ DATE: _____

PRINT NAME & TITLE: _____