



CITY OF ATLANTA
Department of Planning and Community Development
Bureau of Housing
HOMEOWNER SUBORDINATION POLICY AND REQUEST FORM
(Revised February 2008)
(Return This Form with Required Documentation, if applicable)

POLICY STATEMENT

Upon written request, the City of Atlanta may consider the subordination of its mortgage(s) for refinancing proposals that will not seriously impact the affordability of the property or security of the public investment.

To outline the practices and procedures which are utilized by the Bureau of Housing (BOH) to determine if the City will subordinate its loan to another lending institution, the policy to grant subordination is based on the following criteria:

1. There must be an identified reasonable need to lower monthly payments/interest rate or change the mortgage product.
2. The borrower must have sufficient equity in the home so as not to displace the City beyond a 95% loan to value ratio.
3. The new loan's origination fee, points, commitment fees, buy down fees and all other lender fees cannot exceed three points on the new mortgage.
4. The borrower must continue to occupy the home as their primary residence until the term of the City mortgage is paid or expired.
5. Property taxes must not be delinquent.
6. The borrower can only receive "cash out" for home improvement loans, emergency non-insured property damage or non-insured medical expenses.
7. Any other "cash out" requests, including but not limited to, bill consolidation loans, line of credit, future advance, personal loans, medical collections, other mortgages or encumbrances or liens will not be considered.
8. In any case, the City will only subordinate once during the affordability period and to a second position.
9. If your request does not meet all the above listed criteria, your request will be denied.

I, _____, acknowledge that I have received a copy of the City of Atlanta Bureau of Housing Loan Subordination Policy and have had the opportunity to review this policy ask questions if needed.

Signature

Date



CITY OF ATLANTA
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 Bureau of Housing

SUBORDINATION REQUEST FORM
(Return This Form with Required Documentation)

Please provide the information requested below so that your request for subordination from the Bureau of Housing may be expedited. The Bureau of Housing reviews requests for subordination on an individual basis. **There is no guarantee that requests for subordination will be granted.** (NOTE: Additional documents may be requested as necessary).

Borrower Name: _____

Property Address: _____

City: _____ County: _____ Zip: _____

Daytime Phone: _____ Fax #: _____

City's Mortgage Amount: \$ _____ Date Executed: _____

Date Recorded: _____ Recorded in Book: _____ at Page: _____

If you are seeking to refinance an existing mortgage, please provide the following information:

1st Mortgage Amount: \$ _____ Outstanding Balance: \$ _____ Interest Rate: _____

2nd Mortgage Amount: \$ _____ Outstanding Balance: \$ _____ Interest Rate: _____

New Interest Rate and Terms: _____

Fees (\$ amt. and type) and/or Pre-payment penalties: _____

New Loan Amount: \$ _____ Credit Score: _____ Rate Expiration Date: _____

If you are applying for a home equity/improvement loan, please provide the following information:

Exact Name of Lender (Mortgagee): _____

Loan Amount: \$ _____ Terms: _____ Closing Date: _____

Present Appraised Value of Property: \$ _____ Appraisal supplied by: _____

Contact Person: _____ Phone #: _____

Closing Attorney for Lender: _____ Phone #: _____

Fax #: _____ Email: _____

Fed Ex Account #: _____

Reason for Subordination Request (Please check all that apply):

- Lower interest rate/monthly payments
- Security of a fixed rate loan
- Obtain a Reversed Mortgage
- Mortgagee to receive cash for home improvement loan
- Eliminate mortgage insurance
- Other: _____



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SUBORDINATION REQUEST DOCUMENTATION REQUIREMENTS
(Return This Form with Required Documentation)

In order to begin processing a subordination request, the City of Atlanta requires that **ALL** of the following documentation be received. You can expect a decision within ten (10) business days following receipt of **ALL** items listed below. (NOTE: Any missing information may delay processing of this request):

- Letter from the owner of record, authorizing the request**
- Commitment letter from the lending institution detailing the amount, rate, term, reason for new financing**
- Good Faith Estimate or HUD-1 Settlement Statement (loan processing fees, origination fees, recording fees, etc.)**
- Copy of Appraisal**
- Copy of Title Report**
- Verification of current interest rate/mortgage product**
- Written estimate of rehabilitation work (If applicable)**

Note: Subordination requests will not be considered unless all documents are received. It is the responsibility of the sender to make sure all documents are submitted accordingly. The review process can take up to ten (10) business days before a subordination request is approved.

Documents can be mailed or faxed to:
 City of Atlanta
 Department of Planning and Community Development
 Bureau of Housing
 ATTN: Subordination Request
 68 Mitchell Street SW, Suite 1200
 Atlanta, GA 30303
 (404) 330-6390
 (404) 658-6950 (fax)

THIS SECTION TO BE COMPLETED BY CITY OF ATLANTA BUREAU OF HOUSING

Date Received: _____

Amount of Existing City Mortgage: \$ _____

Date Recorded: _____

Have all subordination request documents been submitted? Yes No

Subordination Agreement Request: Approved Denied

Reason(s) for denial:

1. _____
2. _____
3. _____

If approved:

- Prepare subordination agreement
- Director approves/signs the agreement
- Original agreement goes to Mortgage Company-with reminder to have the document recorded and to return a copy to the Bureau of Housing or our file.
- Agreement is returned to the Bureau of Housing

Reviewer: _____ Date: _____
 Approver: _____ Date: _____