



URBAN RESIDENTIAL FINANCE AUTHORITY  
HOMEOWNERSHIP CENTER  
SUBORDINATION POLICY AND REQUEST FORM

(Return this form with all required documentation)

**POLICY STATEMENT**

Upon written request, the Urban Residential Finance Authority (URFA) 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 Homeownership Center to determine if URFA will subordinate its loan to another lending institution, the policy to grant subordination is based on the following criteria:

1. A \$100.00 non-refundable subordination fee (certified funds only) made payable to URFA must accompany all requests. No subordination agreements will be processed until the \$100.00 non-refundable subordination fee is received.
2. There must be an identified reasonable need to lower monthly payments/interest rate or change the mortgage product.
3. The borrower must have sufficient equity in the home so as not to displace URFA beyond a 95% loan to value ratio, unless new loan is an FHA Streamline or a HARP loan.
4. 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.
5. The new loan must be a 30 year fixed rate loan.
6. The borrower must continue to occupy the home as their primary residence until the term of URFA mortgage is paid or expired.
7. Property taxes must not be delinquent.
8. The borrower cannot receive "cash out" for any reason.
9. In any case, URFA will only subordinate once during the affordability period and to a second position.
10. 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 Urban Residential Finance Authority Homeownership Center Loan Subordination Policy and have had the opportunity to review this policy ask questions if needed.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**URBAN RESIDENTIAL FINANCE AUTHORITY  
HOMEOWNERSHIP CENTER  
SUBORDINATION REQUEST FORM  
(Return this Form with Required Documentation)**

Please provide the information requested below so that your request for subordination from the Homeownership Center may be expedited. The Homeownership Center 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:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Daytime Phone:** \_\_\_\_\_

**City's Mortgage Amount:** \_\_\_\_\_ **Date Executed:** \_\_\_\_\_

**Date Recorded:** \_\_\_\_\_ **Book:** \_\_\_\_\_ **Page:** \_\_\_\_\_

**Lender Company Name (EXACT):** \_\_\_\_\_

**Lender Contact Person:** \_\_\_\_\_

**Lender Phone:** \_\_\_\_\_ **Lender Email:** \_\_\_\_\_

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

**Current 1<sup>st</sup> Mortgage Amount:** \_\_\_\_\_ **Balance:** \_\_\_\_\_

**Current Rate/Terms:** \_\_\_\_\_ **Proposed Rate/Terms:** \_\_\_\_\_

**Current P&I Payment:** \_\_\_\_\_ **Proposed P&I Payment:** \_\_\_\_\_

**Current 2<sup>nd</sup> Mortgage Amount:** \_\_\_\_\_ **Balance:** \_\_\_\_\_

**Borrower's fees (Origination, Points, Buy down, Closing Costs, etc.):** \_\_\_\_\_

**Proposed loan amount:** \_\_\_\_\_ **Credit Score:** \_\_\_\_\_ **Rate Expiration:** \_\_\_\_\_

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

- Lower interest rate/monthly payments
- Security of a fixed rate loan
- Obtain a Reversed Mortgage
- Eliminate mortgage insurance
- Other: \_\_\_\_\_

**URBAN RESIDENTIAL FINANCE AUTHORITY  
HOMEOWNERSHIP CENTER**

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

In order to begin processing a subordination request, the Urban Residential Finance Authority requires that all of the following documentation be received. You can expect a decision within fifteen (15) business days following receipt of ALL items listed below.

- Letter from the owner of record, authorizing the request
- A \$100.00 non-refundable subordination fee must accompany all requests (funds must be guaranteed).
- Commitment letter from the lending institution detailing the amount, rate, term, and reason for new financing
- Copy of the uniform Residential Application (1003) or 1008
- Preliminary HUD-1 Settlement Statement showing no cash back
- Copy of Appraisal (N/A if FHA Streamline refinance or HARP loan)
- Copy of Title Report
- Verification of current interest rate/mortgage product

*Note: Subordination requests will not be considered unless a \$100.00 non-refundable subordination fee and all documents are received. It is the responsibility of the sender to make sure all documents are submitted accordingly. Upon receiving a complete package, the review process can take up to fifteen (15) business days before a subordination request is approved.*

**IF APPROVED, PLEASE NOTE THE FOLLOWING:**

- Our Director reviews/approves/signs subordination agreement
- Original subordination agreement will not be provided until we are in receipt of Final CD (signed by Closing Attorney, Borrower, and stamped "Certified")
- Original agreement goes to Mortgage Company with reminder to have the document recorded and returned to the Homeownership Center

Documents can be mailed or faxed to:

Invest Atlanta  
Homeownership Center  
ATTN:Subordination Request  
Heide Billings  
133 Peachtree Street, Suite 2900  
Atlanta, GA 30303  
(404) 880-4100

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THIS SECTION TO BE COMPLETED BY URFA - HOMEOWNERSHIP CENTER

Date Received: \_\_\_\_\_ Amount of Existing URFA Mortgage: \$ \_\_\_\_\_

Date Recorded: \_\_\_\_\_

\$100.00 non-refundable subordination fee (Guaranteed Funds)?  Yes  No

Have all subordination request documents been submitted?  Yes  No

Subordination Agreement Request:  Approved  Denied

Reason(s) for denial:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Reviewer: \_\_\_\_\_ Date: \_\_\_\_\_

Approver: \_\_\_\_\_ Date: \_\_\_\_\_