



Atlantic County Improvement Authority
 1333 Atlantic Avenue, Suite 700
 Atlantic City, NJ 08401
 Telephone: (609)343-2390
 Fax: (609)343-2188

SUBORDINATION QUALIFICATION APPLICATION

Dear Lender:

A \$100.00 dollar application fee payable to the Atlantic County Improvement Authority is due prior to consideration of the request. The Office of Community Development will subordinate if one of the three conditions listed below on this form are met. Please fill out Section A, B, or C below indicating which condition applies, sign it and send it back to the above address along with the appropriate supporting documentation for our review. If based on appraisal, please forward a copy to the office. If approved, you will need to prepare the subordination agreement for our signature.

A) Loan Information:

BORROWER'S NAME: _____

BORROWER'S ADDRESS: _____

MUNICIPALITY: _____

AMOUNT OF ACIA LOAN: \$ _____

B) The three separate options where we will refinance are:

(1) In every instance we will accept payment for half and subordinate half. For very-low income homeowners, we will accept payment for the permanent half and subordinate the half that is forgiven in six years OR;

(2) We will subordinate if there will be a post-refinance LTV of 80% based on;

Loan			
New first mortgage maximum principal:	\$	_____	
Other mortgages or liens now senior			
To ACIA:	+	\$ _____	
ACIA mortgage:	+	\$ _____	
Total:	=	\$ _____	Total Loans
Total:	=	\$ _____	Total Loans

Assessed value of property:	\$	_____	
Equalization rate:	x	_____	
Assumed value of property	=	\$ _____	Value
OR, APPRAISAL	or:	\$ _____	

(3) We will subordinate to the extent we remain in the same “dollar” position we were in when we made the rehab loan being subordinated. For example, if there was \$75,000 balance in mortgages in place when we made our rehabilitation mortgage there can be \$75,000 in mortgages after the refinance before us.

(4) We will subordinate when the homeowner will benefit by reduced monthly Principal and Interest payments resulting from a reduction in the interest rate of the primary mortgage. Under this condition the balance of the new mortgage is limited to the sum of the balance of the refinanced mortgage plus reasonable closing costs. In no instance is cash permitted to go back to the borrower as a result of the refinancing.

C) New Bank or Mortgage Company Information

Company Name: _____ Phone#: _____
Address: _____
City: _____
State: _____ Zip: _____

Bank Representative

Name: _____
Title: _____

Signature

Date

Approved: _____
Joseph J. Giraldo Title

Date