



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, which must not exceed 80% based on Loan. Please fill out all spaces below and submit documentation to back up your claim.

|                                       |             |  |             |
|---------------------------------------|-------------|--|-------------|
| 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:** \_\_\_\_\_  
Name Title

\_\_\_\_\_  
Date