

ATTN: _____

FAX#: () _____

CITY OF O’FALLON FIRST TIME HOME BUYER SUBORDINATION WORKSHEET

(Please fill in all blanks, review policy, and attach all required documentation and fax/mail back to person below)

DATE: _____

TO: Jessica Hawkins
City of O’Fallon, Community Development Block Grant Administrator
100 North Main Street, O’Fallon, MO 63366
PH: (636) 379.5411
Fax: (636) 978-4144

FROM: _____

TOPIC: Subordination Agreement Request For:
Client Name: _____

Address: _____

(Attach a signed written request from client requesting subordination)

NEW LOAN ANALYSIS WORKSHEET:

I. Refinancing solely for change in rate or term (no debt consolidation)

Amount of new loan (attach projected loan settlement statement)	\$ _____
Balance of existing loan (all amounts advanced by lender under loan documents)	\$ _____
Reasonable financing cost and points (not to exceed 5% of existing loan balance)	\$ _____
TOTAL (must not exceed zero)	\$ _____

One of the following conditions must apply (please check one):

- Existing loan is a balloon note which has reached maturity
- The interest rate of the existing loan is being reduced by at least 1% (may be waved by OCD)
- The term of the existing loan is being reduced)

II. Refinancing which includes debt consolidation or cash out

Amount of new loan (attach a projected loan settlement statement)	\$ _____
Amount of City of O’Fallon lien	\$ _____
Amount of any property liens (i.e., mortgages, MSD, etc.)	\$ _____
TOTAL (must not exceed attached appraisal or CMA)	\$ _____

All of the following must also be true:

- The interest rate of the new loan does not exceed 1% of the interest rate on existing loan.
- The new loan is not an adjustable rate loan.
- Back end debt ration does not exceed 50%
- Taxes, insurance and PMI must be escrowed and included in ratios (**all refinance loans**).

Closing Costs:

Amount of existing loan \$ _____ X 5% = \$ _____
 Total closing Costs \$ _____ (must **not** exceed 5% of existing mortgage)

INTEREST RATE:

Amount of interest rate on existing first mortgage loan: _____ %
 Amount of interest rate on new loan: _____ %

DOCUMENTATION:

The following documentation must be received from the borrower to make a determination of eligibility under the subordination policy.

1. Written request from the homeowner requesting subordination and explaining reason for the request.
2. Completed Subordination Worksheet
3. Appraisal or CMA for the property (unless OCD waves).
4. Project settlement statement (GFE) for refinancing.
5. Loan commitment letter from lender stipulating rate and term of new loan.
6. Commitment for Title Insurance listing existing Deeds of Trust on property.

Attestation:

The preparer of this worksheet attest that all the information provided is accurate and true.

Prepared by : _____ loan officer PH () _____

Please allow **10 days** to receive your approved request, which you want mailed to:

Name of lender: _____
 (if different from mortgage company)

Address: _____

For Fed-EX and UPS request please forward a self-addressed, prepaid envelop.