



Subordination Process for NHSIE Loans

NHSIE will permit the subordination of existing NHSIE junior loans if homeowners meet certain eligibility requirements. By permitting subordinations, NHSIE will allow existing homeowners the opportunity to take advantage of refinancing their existing first mortgage, without being forced to pay off their existing NHSIE junior loan(s). Please note NHSIE may deny subordination if the new loan does not reflect benefit to borrower(s).

Eligible NHSIE junior loans include the following:

- NHSIE CityLIFT (CityLIFT)
- NHSIE CalHome Mortgage Assistance Program (CalHome – MA)
- NHSIE CalHome Owner Occupied Rehabilitation (CalHome - OOR)
- NHSIE 555 Loan (555)

Subordination Requirements

The borrower must meet NHSIE's subordination requirements as listed below.

New First Mortgage Loan Requirements:

- The loan must be underwritten and approved by the new lender in accordance with loan programs that refinance the unpaid principal balance of the existing first mortgage loan (no-cash-out refinance) and new loan must reflect a benefit to the borrower(s).
- The new first loan must lower the borrower's mortgage payment or replace the existing first loan with a more stable product.

Property Eligibility Criteria:

- The property must be the borrower's principal residence
- Borrower must provide at least 2 different utility provider statements reflecting borrowers residency:

Electric
Water
Sewer

Gas
Trash



Submission Documentation

Requests for subordination of existing junior loan(s) must be submitted to NHSIE in the following stacking order as provided on the attached Subordination Submission Checklist

NHSIE reserves the right to request additional documentation as deemed appropriate.

Submit application, payment and required documents to:

Regular Mail:
NHSIE
Lending Dept
1845 S. Business Center Drive, Suite 120
San Bernardino, CA 92408
(Check or money order payable to NHSIE)

Upon receipt of a completed package, NHSIE will:

- Review for compliance with NHSIE Loan Subordination Underwriting Guidelines.
- Send final decision to lender listed on application form.
- Send an original executed and notarized Subordination Agreement and Escrow Instructions to the Escrow Company if application is approved. This document will be sent regular mail unless a self-addressed/prepaid overnight courier service label is provided in application package.

****NHSIE may deny subordination if the new loan does not reflect a benefit to borrower(s).

Questions:

Please contact NHSIE at 909-884-6891