

HARDEE COUNTY HOUSING PROGRAMS

LIEN SUBORDINATION POLICY

Purpose: To standardize the practice of subordinating liens generated through the County Housing Programs such as, but not limited to, CDBG (Community Development Block Grant), SHIP (State Housing Initiatives Partnership) and/or HHRP (Hurricane Housing Recovery Program).

Factors in consideration:

- The original borrower would benefit financially by securing a lower interest rate on the first mortgage and monthly mortgage payments would be reduced, to include taxes and insurance.
- The new first mortgage will be a fixed rate mortgage with no balloon provisions or prepayment penalties.
- Term of Loan is not to exceed 30 years.
- Homeowner must be current on property taxes.
- Homeowner must provide proof of residency.
- Homeowner must reside on the property for a minimum of one year prior to requesting a subordination from the County.
- Maximum of one (1) subordination may be granted per borrower.
- Emergency needs arising out of natural disasters.
- Emergency repairs which eliminate a threat to the health or safety of the occupants, or that eliminate an immediate or imminent danger to the dwelling itself.

Subordination Requests will not be considered for the following purposes:

- The balance of Hardee County's lien is less than \$1,000
- Credit Card debt
- Cash Out (unless there is sufficient equity to support all outstanding mortgages/liens)
- The new loan is an adjustable rate mortgage (ARM)

Required documents:

Homeowners interested in requesting lien subordination from the County must initiate a request for the Housing Department to subordinate its lien in the form of a written request. The Housing Department will need the following information to compile packet for Board of County Commissioner review:

- Provide reason for which the subordination is being requested.
- Provide all pertinent documentation supporting the request (supporting documentation as to the validity of reason).


- Authorization for Release of Information signed by the homeowner for the lender to release loan details for the purposes of reviewing the request.
- Provide the Housing Department with a complete Loan Comparison Analysis (attached as Exhibit I).
- Current Appraisal to support request.
- Copy of Good Faith Estimate.
- Residency verification.
- Copy of Title Insurance Commitment.

SUBMIT REQUESTS TO:

Hardee County Community Development Department
412 W. Orange St., Room 201
Wauchula, FL 33873

*Requests must be submitted at least 30 days prior to projected closing date.

Adopted this 1st day of November, 2012 by the Hardee County Board of County Commissioners.



Minor L. Bryant, Chairman
Board of County Commissioners
Hardee County

Attest:

 11/05/2012

B. Hugh Bradley, Ex-Officio Clerk to BoCC

EXHIBIT I

Loan Comparison Analysis

Homeowner's Name(s): _____

Property Address: _____

Current Mailing Address _____

Lending Institution Contact Information:

Phone Number (____) _____

Loan Officer's Name _____

Mortgage	Principal Balance	Interest Rate	Rate Type	Mortgage Payment (PITI)	APR
Current					
New					

Information Provided by: _____

If the new loan is for the purposes of providing code related home repairs, please attach a copy of an inspection report and cost estimate for eligible repairs.

This form is intended to gather pertinent information in consideration of your request for subordination. The County hereby reserves the right to request additional information for this purpose. It is the sole discretion of the County to approve any request for subordination. Please complete and return this form to: Hardee County Community Development Department, 412 W. Orange St., Room 201, Wauchula, FL 33873.