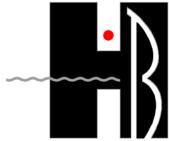
## Inclusionary Housing Program Application for Subordination

City of Huntington Beach 2000 Main Street, 5<sup>th</sup> Floor Huntington Beach, CA 92648 (714) 536-5470 Phone (714) 375-5087 FAX



Jata.			
Jaie	 		 

## 1. INTRODUCTION

Your property is subject to an Affordability Covenant that restricts who the property may be sold to, at what price, and the terms and conditions of any financing/refinancing. The Affordability Covenant limits the maximum sales price to less than the fair market value on the open market, and potentially less than the amount of any outstanding loans on the property. The maximum sales price also decreases as prevailing interest rates increase.

In addition, if you have borrowed money from the City or the Redevelopment Agency, then the refinancing of the first deed on your property in an amount that exceeds the outstanding balance shall trigger payment of the equity share under the City or Redevelopment Agency loan.

Most lenders will not loan money to purchase or refinance a home unless the property will be free of the Affordability Covenant if the lender forecloses. The City will agree to place its Affordability Covenant in second position to the lender (that is, to "subordinate") subject to certain conditions. The first step in obtaining the City's subordination is completing this application and submitting a \$250 application fee.

2. APPLICATION			
Borrower Name(s)		Number of Bedrooms:	Maximum
Street Address:			Affordable Price: (set by City)
Email Address:			(cot by only)
Community:			
Telephone:			
New Loan(s)	Name of Lender	Loan A	<u>Amount</u>
Loan 1:		<u> </u>	<del></del>
Loan 2:			
(please writ	e name of lender as it should app	pear on the Subordination A	greement)
Loan(s) to be Paid Off:	Name of Lender	<u>Payoff</u>	Amount
Loan 1:			
Loan 2:		<u> </u>	

Proposed Debt to Value Ratio (Maximum subordination is the lower of 90% of the appraised value of the property, or 80% of the appraised value if there are two loans, or the current maximum affordable price)		Anticipated Date of Escrow Closing	
Proposed Debt to Income Ratio		If necessary, questions regarding this application should be addressed to:	
Lender/Bro	ker Contact Information	Escrow Contact Information	
Name:		Name:	
Company:		Company	
Address:		Address:	
Phone:		Phone:	
E-Mail:		E-Mail:	
Loan #:		Escrow #:	
3. ATTAC	CHMENTS		
Please atta	ach the following required documents:		
	Homeowner Occupancy Certification (City Form)		
	Title Report		
	Clean Copy of Property Legal Description		
	Estimated Escrow Settlement Statement		
	Loan Estimate		
	Copy of Bank Loan Application		
	\$265 Subordination Fee Payable to the City of Huntington Beach (**Please Note** Payment is required at time of application)		
For refinar	nces with cash-out to the borrower(s), pl	ease attach the following:	
	Appraisal		
	Loan Underwriting Analysis		

4. SUBMITTING THE	APPLICATION		
Applications should be	City o <sup>-</sup> 2000 M	adding, Administrative Aide f Huntington Beach Main Street, 5 <sup>th</sup> Floor ngton Beach, CA 92648	
<u>PL</u>	EASE NOTE THAT	FAXES WILL NOT BE ACCE	PTED
5. RETURN INFORM	ATION		
in California. Please all	low 10 business days ill prepare a Subordinat	eleased ONLY to escrow compan for the City to review your appl ion Agreement. Please indicate h	<b>ication</b> . Upon approval of
☐ Call escrov	w company for pickup	by courier	
☐ Mail to esc	row company via Airb	oorne Express account numb	oer
☐ Use enclos	sed, pre-addressed, po	ostage-paid envelope	
	_		
Owner's Signature	Date	Co-Owner's Signature	Date

Date:	
Unit Address:	
Project Name:	
Owner Name:	

## CERTIFICATION

I/We, the undersigned specifically acknowledge and understand that the Property I/we own is subject to certain affordability restrictions. I understand that these restrictions prohibit renting or leasing of the Property, and I/we hereby certify that the Property is my/our primary residence and is not rented or leased.

I/We acknowledge my/our understanding that any intentional or negligent misrepresentation in this certification may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both, and liability for monetary damages under the provisions of Title 18, United States Code, Section 1001, et seq.

<u>Owner</u>	<u>Co-Owner</u>
Signature:	Signature:
Print Name:	Print Name:
Date:	Date: