



U.S. SMALL BUSINESS ADMINISTRATION
200 WEST SANTA ANA BOULEVARD, STE. 180
SANTA ANA, CALIFORNIA 92701

SUBORDINATION

RATE & TERM REFINANCE

In order for the U.S. Small Business Administration (SBA) to consider a subordination request, the following documentation must be provided:

1. A letter requesting SBA's subordination signed and dated by all borrower(s)/guarantor(s).
2. Borrower's Authorization and Consent to Verify Information for all borrower(s)/guarantor(s) signed and dated.
3. Financial Statement of Debtor / SBA Form 770, completed for each borrower(s)/guarantor(s) obligated on the SBA loan. If question #33 is a 'yes' on SBA Form 770, provide a detailed statement of your beneficiary status under any pending inheritance or established trust.
4. Copy of the last year Federal tax Returns, inclusive of all pages and schedules. If self-employed, also provide your current (within 90 days) balance sheet and income statement of the business.
5. Title report of the collateral property, dated within 12 months.
6. Appraisal of the collateral property, dated within 12 months.
7. Approval of your proposed refinance from your bank or lender, inclusive of all new loan terms.
8. Estimated HUD-1 settlement statement reflecting the amount of consideration offered to the SBA. Consideration for SBA's lien release is required and *SBA's line item must state, "Pay down of the SBA loan," in the event the SBA will not be paid in full.*
9. Provide a payoff statement(s) for each payee listed on the HUD-1.
10. Name, address and phone of the closing company and the full name of the individual closing agent.
 - **SBA does not subordinate to new lines of credit, or to the increase in the lien amount of an existing line of credit.**
 - **SBA does not subordinate to loans with have the potential for negative amortization or to junior liens.**
 - **SBA does not allow property taxes to be financed.**
 - **SBA will allow a maximum of 2% Origination, Discount/Broker Fee(s) to be financed.**
 - **Delinquency must be addressed as part of the subordination request.**

The completed package should be sent to 0946packages@sba.gov. For large package, please upload your documents using this link, www.sendthisfile.com/sbandlrc. Incomplete packages will not be reviewed. Additional documents may be required upon review. Please be advised that all collateral documents now in place will remain in effect and all borrower(s) and guarantor(s) will remain legally obligated under the existing terms of the Note, until such Note is paid in full. When the SBA will not be paid in full from the refinance of the collateral property, it is not our policy to allow the borrower(s) or guarantor(s) to receive any proceeds from this transaction. Contact the National Disaster Loan Resolution Center at (855) 778-3154, should you have any questions.



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SUBORDINATION-CASH OUT REFINANCE

Cash out refinance includes anything other than rate and term, which is inclusive to an amount greater than a payoff an existing Deed of Trust/Mortgage. In some instances, SBA may consider subordination for a cash-out refinance if the senior lien is at a maximum of 80% combined loan to value (CLTV), however this requires a pay down of the SBA loan, greater or equal to the cash-out' amount. In order for the U.S. Small Business Administration (SBA) to consider a subordination requests, the following documentation must be provided:

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2. Borrower's Authorization and Consent to Verify Information for all borrower(s)/guarantor(s) signed and dated.
3. Financial Statement of Debtor / SBA Form 770, completed for each borrower(s)/guarantor(s) obligated on the SBA loan. If question #33 is a 'yes' on SBA Form 770, provide a detailed statement of your beneficiary status under any pending inheritance or established trust.
4. Copy of the last year Federal tax Returns, inclusive of all pages and schedules. If self-employed, also provide your current (within 90 days) balance sheet and income statement of the business.
5. Title report of the collateral property, dated within 12 months.
6. Appraisal of the collateral property, dated within 12 months.
7. Approval of your proposed refinance from your bank or lender, inclusive of all new loan terms.
8. Estimated HUD-1 settlement statement reflecting the amount of consideration offered to the SBA. Consideration for SBA's lien release is required and *SBA's line item must state, "Pay down of the SBA loan," in the event the SBA will not be paid in full.*
9. Provide a payoff statement(s) for each payee listed on the HUD-1.
10. Name, address and phone of the closing company and the full name of the individual closing agent.
 - **SBA does not subordinate to new lines of credit, or to the increase in the lien amount of an existing line of credit.**
 - **SBA does not subordinate to loans with have the potential for negative amortization or to junior liens.**
 - **SBA does not allow property taxes to be financed.**
 - **SBA will allow a maximum of 2% Origination, Discount/Broker Fee(s) to be financed.**
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