



Subordination Agreement Instructions

Please be advised that Arlington Community Federal Credit Union's loan Subordination Guidelines require a combined loan-to-value ratio (CLTV) of 90% or less. Requests outside of ACFCU Guidelines may be considered on a case by case basis. In addition, if the subordination request is approved, a subordination processing fee in the amount of \$150 - \$250 ** will be required prior to the release of the Subordination Agreement.

Required Documents:

In order for ACFCU to consider the subordination request, the following documents must be received by ACFCU no later than 14 days prior to the new loan settlement date:

- PDF copy of recent Appraisal showing the property valuation; (If the new loan is a streamline refinance and an Appraisal is not required, please provide a statement to that fact.)
- Loan Commitment Letter confirming the dollar amount and terms of the new loan
- First Trust Lender credit report
- Title Report, Title Insurance Binder or Title Policy showing verification of existing property liens
- A prepared Subordination Agreement
- Instructions indicating where to send the completed document

Requests for subordinations will not be evaluated until all required documentation is received at ACFCU. Processing time after full subordination package is received is a minimum of 14 days.

Please email the complete submission package to RealEstate@Arlingtoncu.org or FAX to 703-516-8177.

Subordination Fee:**

The Subordination Fee is \$150 unless ACFCU is also instructed to provide the Deed of Subordination, in which case the fee is increased to \$250. If the subordination process involves modifying a Home Equity Line of Credit, an additional Modification Fee in the amount of \$200 will be required.

Payment must be received prior to the execution and release of the Subordination Agreement. Please have the borrower execute the attached *Subordination Fee Disclosure* and return it to ACFCU as soon as possible.

If you wish to have the executed document sent via 'Overnight Express', please provide a FedEx or UPS account number and the full street address of the Title Company (or Individual) performing the settlement.

We would be happy to help you with any additional questions or concerns.

Equity Real Estate Department
Arlington Community Federal Credit Union
RealEstate@Arlingtoncu.org
703-526-0200
Fax: 703-516-8177



ARLINGTON COMMUNITY
FEDERAL CREDIT UNION

SUBORDINATION FEE DISCLOSURE

DATE: _____

RE: Home Equity Subordination Fee

I/We, _____, acknowledge and authorize the assessment of a fee of between \$150 and \$250 ** for the approved subordination of my/our existing Home Equity Loan or Line Of Credit under membership account number _____.

If applicable, I/We further authorize that the required fee:

_____ be advanced from the available credit remaining on the home equity credit line.

_____ be deducted from available funds in my/our credit union membership account.

_____ be paid with the enclosed third party, personal or cashier's check.

** Subordination Fee is \$150 unless the parties require ACFCU to also prepare the Deed of Subordination, in which case the Subordination Fee is increased to \$250.

Authorized by: X _____ X _____
Member Signature Date

X _____ X _____
Member Signature Date