



## STATE OF CONNECTICUT DEPARTMENT OF HOUSING



This document contains general information that may be valuable in the event that you choose to refinance your first mortgage. A Subordination Agreement (an agreement allowing you, the borrower, to refinance your first mortgage) from DOH must be generated.

Outlined below are the requirements necessary for the State of CT to process a request for approval of a Subordination Agreement.

### **Agreement Conditions:**

1. State of CT **must** retain its lien position
2. The State will subordinate only if you are refinancing principal balance (plus closing costs) of your mortgage for a lower rate
3. Although client is allowed up to 1% cash to borrower beyond principal amount, **no additional debt** can be added to your mortgage amount (i.e. credit card consolidation, purchases of a vehicle or home improvement loans).
4. Loan payments must be current.

### **Documents:**

The following documents are required for processing your subordination request:

- Authorization to Release
- Recorded Agreement with State of CT
- A commitment letter from lending institution [showing loan amount (principal loan).]
- HUD-1 or GFE, if not available an estimated statement will suffice
- A note showing NO CASH OUT (up to 1%) – (part of Condition #2 above)
- Title search...showing State of CT Lien position
- Schedule A [or Exhibit A] - property description

Also, please send the exact name of the lender by e-mail when returning the requirements. Some lenders end in LLC, ISAOA, etc.