



## CITY OF CORONA Public Works Department

### **Submittal Requirements for Lien Subordination Process**

1. Letter of request for subordination, stating reasons.
2. Fee per current fee schedule (non-refundable).
3. Current title report (not more than 90 days old).
4. Copy of lien to be subordinated.
5. Current appraisal by certified appraiser.
6. Copy of appraisal qualification.
7. Letter from lending agency stating loan amount and purpose. Letter shall state which financial obligations will be paid for and removed from the title report.
8. Plat Map (8 ½ x 11) showing lot, street, all structures and vicinity map.
9. Completed Subordination Agreement (Form A).

## SUBORDINATION PROCESS

### 1. REQUIREMENTS FOR SUBMITTAL

- A. Letter of Request \_\_\_\_\_
- B. Fee per current schedule \_\_\_\_\_
- C. Current title report (not more than 90 days old) \_\_\_\_\_
- D. Copy of lien to be subordinated \_\_\_\_\_
- E. Current appraisal by certified appraiser \_\_\_\_\_
- F. Appraiser's qualification \_\_\_\_\_
- G. Letter from lending agency stating loan amount and purpose\* \_\_\_\_\_
- H. Vicinity/site plat \_\_\_\_\_
- I. Completed Subordination Agreement (Form A) \_\_\_\_\_

### 2. CALCULATIONS

- A. Total existing loans \$ \_\_\_\_\_
- B. Total proposed liens \$ \_\_\_\_\_
- C. Proposed loan amount \$ \_\_\_\_\_
- D. Total fiscal obligations \$ \_\_\_\_\_
- E. Appraisal amount \$ \_\_\_\_\_
- F. % of appraised amount \$ \_\_\_\_\_  
(D/E x 100%)

If F < 80% - Subordination to go to Council.

If F > 80% - Subordination denied

\* Letter shall state which financial obligations will be paid for a removed from the title report.

\*\* If new loan replaces proposed loan, then total fiscal obligations are only [B + C]

## LIEN AGREEMENT CALCULATONS

Recording date of original lien			_____
Today's date			_____
From ENR: Current Construction Cost Index	(A)	\$	_____
Original Construction Cost Index	(B)	\$	_____
% Change in Construction Cost Index	(C)	\$	_____
			$\frac{(A-B)}{(B)} * 100$
Original Lien Amount	(D)	\$	_____
Adjusted Lien Amount		\$	_____
			$[(C * D) + D]$