

Center for Energy and Environment (CEE) Loan Subordination Policy

If you are in the process of refinancing your current mortgage, please read the requirements below or visit our Lending Center's home page for more information. A non-refundable processing fee will be charged in order to initiate the review of any Subordination requests. The amount of the fee and requirements are available upon request, and can be found at our Lending Center home page: <https://www.mncee.org/loans/loan-servicing/>

Subordination Requirements: CEE will agree to subordinate its loan if the following conditions are met:

1. The new Mortgage is a First Lien.
2. The new Combined Loan to Value ratio (CLTV) does not exceed 100% of the current Market Value of the property.
3. The new Mortgage is not an Interest Only or Adjustable Rate Mortgage.
4. The new Mortgage is not a Cash-Out Refinance.
5. The new Mortgage does not move CEE's lien to a lower position.
6. The loan with CEE is current and in good standing (has not been 30 days delinquent more than once over the last 24 months).
7. The current loan with CEE has not been subordinated to a different mortgage during the last 24 months.
8. All property taxes are current.

CEE will email or fax a copy of the subordination agreement to the requesting party upon approval of the request. The original document will be mailed after a copy of the signed Closing Disclosure has been received. CEE reserves the right to refuse any request to subordinate its loan if any of the requirements are not met, or if the documentation submitted is incomplete.

Required Documentation: CEE requires the following documentation to be provided in order to initiate the review of any Subordination request:

1. Written request to subordinate the loan to a new First Mortgage. The request must include the purpose of the refinancing.
2. Copy of the most current Appraisal (not more than 6 months old) or the document used by the new lender to determine the current Market Value of the property (Tax assessment is a valid documentation for review).
3. Copy of the Title Insurance Commitment (Schedules A and B).
4. Current UPB (Loan Balance), current PITI (monthly payment including Principal, Interest, Taxes and Insurance –if escrowed-), current Term (including remaining Term) and current Interest Rate.
5. Copy of the New Loan application or the New Loan Estimate (must include new UPB, new PITI, new Term and new Interest Rate).
6. Name and contact information of the new Lender (must include the name and contact information of the Loan Officer).

Please make note of the current Subordination Processing Fee, which can be found online at our Lending Center home page <https://www.mncee.org/loans/loan-servicing/>.

If the Subordination request is missing documentation, CEE will notify the requesting party in writing (via USPS or by any electronic means determined by the borrower or their agent), indicating which documents are missing. After 30 days, all incomplete requests will be considered abandoned and will be cancelled.

Subordination Agreement: Upon receipt of the signed Closing Disclosure (signed by the mortgagors and the closer) the executed subordination agreement will be forwarded to the lender or Title Company for recording.

If you have any questions about this procedure, please contact CEE at 855.296.5626 or via email at: loanservicing@mncee.org

- Please make check payable to:
Center for Energy and Environment
Attn: Loan Servicing Department
212 3rd Avenue North, Suite 560
Minneapolis, MN 55401

Please make sure to add the CEE Loan number to the Memo Line and indicate that the check is for payment of the Subordination Processing Fee.