Overview

Explained below is the process for requesting a subordination of a lien on collateral that was pledged to secure an SBA COVID-19 Economic Injury Disaster Loan (EIDL).

To request that SBA subordinate its lien on an existing COVID EIDL loan:

1. Contact the assigned Disaster Loan Servicing Center to request a Lien Subordination. (See the list below to determine the appropriate Disaster Loan Servicing Center.)

2. Provide the following:

   - ☐ Reason for lien subordination request
   - ☐ Business Name
   - ☐ SBA Loan Number (Existing COVID EIDL)
   - ☐ State whether business is a:
     - Sole Proprietorship
     - Limited Liability Corporation
     - Partnership (GP, LP, or LLP)
     - Corporation
     - Other
   - ☐ Names of current owners and principals of the business, and the percent ownership of each in the business
   - ☐ Borrower's Consent To Verify Information And 3rd Party Authorization For Disaster Loans (Borrower's Authorization)
   - ☐ Copy of the Commitment Letter/Agreement, if the request for lien subordination is based on a pending application for an SBA 504 or 7(a) loan
   - ☐ Listing of collateral to be subordinated, including:
     - Identifying information, such as VIN or serial number (if available)
     - Lien Search indicating the SBA's lien position
     - Proof of Hazard Insurance

3. Submit this information to the assigned Disaster Loan Servicing Center.

4. Once received, SBA will review the submission.

5. If approved, SBA will email an executed Subordination Agreement to the Borrower or Lender at the address provided. The Borrower or Lender will then return the signed Lien Subordination Agreement to SBA using the email address listed in the Subordination Agreement.

NOTE: Requests for subordination on SBA 7(a) and 504 loans will not require monetary consideration for approval. Please be advised that during its review, SBA servicing center staff may require additional information to resolve any discrepancies between the information and the loan record. Additional information may include documentation of post-funding changes in ownership.

For questions concerning a submitted request, please call or e-mail as indicated below:

Birmingham Disaster Loan Servicing Center, 800-736-6048 or El Paso Disaster Loan Servicing Center, 800-487-6019

DESIGNATED SERVICING AREA	
BIRMINGHAM (Bham.Realty@sba.gov) services loans from businesses located in the following states.	**EL PASO (ElPasoDLSC@sba.gov) services loans from businesses located in the following states.**
Alabama	Alaska
American Samoa	Arizona
Connecticut	Arkansas
Delaware	California
District of Columbia	Colorado
Federated States of Micronesia	Hawaii
Florida	Idaho
Georgia	Iowa
Guam	Kansas
Illinois	Louisiana
Indiana	Missouri
Kentucky	Montana
Maine	Nebraska
Marshall Islands	Nevada
Maryland	New Mexico
Massachusetts	North Dakota
Michigan	Oklahoma
Minnesota	Oregon
Mississippi	Puerto Rico
New Hampshire	St. Croix, VI
New Jersey	South Dakota
New York	Texas
North Carolina	Utah
Northern Mariana Islands	Washington
Ohio	Wyoming
Pennsylvania	
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Tennessee	
US Virgin Islands (St. Thomas & St. John)	
Vermont	
Virginia	
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