

INTEREST RATE CONFIRMATION AGREEMENT

Lender: _____

Provided by: (Name of broker) _____

Loan Information

Customer(s):

Sales Price:

Loan Amount:

Loan Type:

Loan Term:

Total Monthly Debt:

Total Monthly Income:

Escrow Account Required:

Self Employed Status:

Property Address:

Occupancy Type:

Property Type:

Closing Date:

Date:

Registration No.:

Mailing address:

Dear _____ (print customer name):

The purpose of this document is to confirm the rate option you selected on _____ (lock date). Please acknowledge receipt of this document by signing and returning this document to your Mortgage Broker. A copy is provided for your records.

This confirmation of your interest rate selection is not a commitment to provide financing and is valid only for the Loan Information listed above. If any of the above information changes, your rate is subject to change regardless of the current rate lock option in effect. The terms of your loan as they relate to the interest rate and fees will be governed by this Agreement. If your loan is an adjustable rate loan your maximum interest rate will be _____% above the initial interest rate.

We will process your loan application and be ready to close on or before the expiration of this Agreement unless something beyond our control delays the process. If your loan is a refinance, you may be required to close four (4) business days prior to the expiration of this Agreement to allow for the three day right of rescission. Once your loan is locked, if your mortgage loan does not fund by the lock expiration date, your rate will be subject to the higher of the market rate or locked rate.

Statement of Terms

Interest Rate:

Origination Fee:

Discount Fee:

Commitment Fee:

Total Fees:

Lender Contribution to

Closing Costs:

Upfront Fee Paid:

Rate Lock Period:

Expiration Date:

Rate Lock Option: _____ Lock

_____ **Rate Protection**

_____ **One Time Float Down**

Initial Monthly

Principal and Interest:

Adjustable Rate Mortgage (if applicable)

Index: (name of index)

Margin:

Rate Change Cap:

Lifetime Cap:

Rate Change Frequency: weeks months years

The option you have selected is:

 Rate Protection Option: By selecting to protect your rate, your rate will be capped at %. This is the maximum interest rate for your loan, even if rates increase, provided that all information disclosed in the Loan Information and/or Statement of Terms section(s) does not change .

You have the option, after you have signed a Contract of Sale on the property and are within sixty (60) Days of closing, to exercise your ONE TIME FLOAT DOWN option. If this a refinance transaction, your window of opportunity is between 15 and 5 days prior to closing . To take advantage of this ONE TIME FLOAT DOWN option, you must contact your Mortgage Counseling Team at (email) or (phone) extension () on the day you wish to lock your rate.

If you do not elect to finalize the rate, you will receive the lower of (current interest rate) % or the rate in effect at 12:00 pm EST, the date the loan documents are sent to closing, which would be seven (7) calendar days prior to the scheduled closing date. If this date is a weekend or legal holiday, we will use the rate in effect at 12:00 p.m. EST the previous business day.

Once the final rate is established, the closing cannot be rescheduled to provide a lower rate. You will not be eligible for any further rate decreases for the remainder of the lock expiration date period.

Rate Protection Example

A customer capped rate is 8.375% with **1 Point** and **1% Origination Fee**. If the closing occurs on or before the rate cap expiration, the market rate in effect at 12:00p.m. EST, five (5) calendar days before closing will be used to determine the customer's rate.

Example:

- The market rate , which is **8.00% with 1 Point and 1% Origination Fee**, is lower than the capped rate – Customer will receive the market rate_
- The market rate, which is **8.375% with 1 Point and 1% Origination Fee**, is the same as the capped rate – Customer will receive the capped rate.
- The market rate which is **8.75% with 1 Point and 1% Origination Fee**, is higher than the capped rate – Customer receives the capped rate.

** Please note that the above rates are intended to be used as examples only; they do not reflect current market conditions or your own mortgage interest rate.

 Lock Option: By selecting to lock your interest rate at (lock interest rate)%, you have committed to the rate and fee combination and lock period specified in the Statement of Terms section of this document. If any information in the Loan Information and/or Statement of Terms sections(s) changes, your interest rate and point combination may be subject to change. If your mortgage loan does not fund by the lock expiration date, your rate will be subject to the higher of the market rate or locked rate.

Other Disclosures

- You will be given credit at closing for any upfront money that you have paid as shown in the Statement of Terms section of this document and on the Good Faith Estimate. Any money paid upfront is not refundable in the event that you decide to cancel you loan. However, if your loan is declined, this

loan amount is 80% or less of the lesser of the original sales price or appraised value. You will receive more information regarding your rights at closing.

- 5) IF YOU (the applicant) PROVIDE INCOMPLETE OR INCORRECT CREDIT INFORMATION, YOU MAY FORFEIT SOME OR ALL OF THE LOCK-IN FEES.

If this is marked with an X, this loan has a balloon payment feature.