

MORTGAGE LOAN RATE LOCK POLICY AND AGREEMENT



San Diego County Credit Union (SDCCU®) considers a rate lock to be a commitment between SDCCU as the lender and the borrower, this is not a commitment to lend. This policy establishes the framework for the Rate Lock commitment. Rate locks will be accepted from 8:30 a.m. to 4:30 p.m. Pacific Time, Monday through Friday, excluding holidays. Rate lock requests received outside of these hours will be locked at the rate in effect at the opening of the next business day. Rate lock requests may only be submitted on loan files with a specific property identified. Rate locks are borrower- and property-specific; if either of those items change, your rate lock will be considered cancelled.

You may complete any of the following requests by contacting your Real Estate Loan Processor or by calling (877) 732-2848 ext. 3150:

Rate Lock Request:

Your loan must be ran through an Automated Underwriting System (AUS) prior to your lock request and must receive an "Approved Eligible" result before you can request a rate lock. The AUS result is an indicator that the loan may be approved and is eligible to be locked but is not a formal loan approval or a commitment to lend, further review by an underwriter is required. Once your application is deemed to be eligible you may choose to rate lock at any time during loan processing at no cost. Rates are subject to change at any time. Lock requests are taken Monday - Friday 8:30 a.m. - 4:30 p.m. The rate will not be locked until you notify us.

Lock Periods, Pricing and Price Adjustments:

Your rate lock is good for 45-days from the lock date. Please note that your rate/pricing may change during the application process if additional information is found when underwriting, verifying and validating your loan. Loan Level Pricing Adjustments (LLPAs) are assessed based upon certain eligibility criteria or other loan features such as credit score, loan purpose, appraised property value, loan-to-value/combined loan-to-value, occupancy, number of units, product type, etc. Circumstantial changes that occur during processing within a specific loan scenario may alter the LLPAs and require re-disclosure. Any change to your rate lock may cause a delay in your loan closing. Waiting period for delivery and confirmation of receipt of new disclosures may be required.

Rate Lock Extension:

If your loan is not closed and disbursed on or before the 45-day rate lock expiration date, the lock may be extended for an additional 30 days for a total of 75 days. All extension fees are calculated as a percentage of the loan amount for each extension period. For a 30 day extension a fee of 0.50% will be charged. If the loan has not closed within the maximum extension period listed above, the loan will return to a float status. See Rate Re-Lock section below. All extensions costs will be payable at time of close and reflected on the Closing Disclosure. A rate lock extension must be requested by the applicant prior to the rate lock expiration date.

Changing Loan Programs After Locking:

If you request a change to your loan program, your rate/pricing will be the rate/pricing in place on the date of your original rate lock. Your rate lock expiration date will remain the same.

Rate Re-Lock:

If you let your rate lock expire and request to continue with your loan request within 30-days of the lock expiration date, your rate will be relocked and your rate/pricing will be the rate/pricing in place on the date of your original lock or the date of your new lock, whichever is higher. A rate re-lock fee of 0.125% of your loan amount will be charged and will be due and payable at time of close. If 30-days has passed since your expiration date, your rate lock will be based on the rate/pricing in effect at the time of the new lock.

Cancellation or Withdrawal:

If you cancel your application, reapply with the same property address and request a rate lock within 30-days of your cancellation date, your rate/pricing will be the rate/pricing in place on the date of your original rate lock or the date of your new rate lock, whichever is higher. If 30-days has passed since your cancellation date, your rate lock will be based on the rate/pricing in effect at the time of the new lock.