

NON-QM & NON-AGENCY RATE LOCK POLICIES & PROCEDURES

The **NON-QM & NON-AGENCY Lock policy** supersedes the standard lock policy unless otherwise noted.

Rate Lock Process

- Lock requests are submitted through the broker portal located at www.myndm.com (emailed, or verbally communicated rate locks will not be considered).
- Loans must be in the Approved milestone before the lock can be requested. Any lock request submitted to the lock desk before Approved milestone will not be honored.
- Lock requests must be sent in by 4:00 pm PST.

Extension

- Funding must be completed before the expiration of the lock.
- Lock extensions must be received prior to the lock expiration.
- Lock extensions must be requested no later than 4:00 pm PST the day of lock expiration.
- To request an extension, email Locks@myndm.com. Please include the NDM loan number in the subject field of the email.

NON-QM

- A loan may only be extended twice.
 - 5 Days - .075
 - 10 days - .150
 - 15 days - .225
 - 30 days - .450

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- 5 Days - .125
- 10 days - .250
- 15 days - .375
- 20 days - .500

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- A maximum of thirty (30) days of Rate Lock Extensions are allowed per loan.
- Rate Lock Extensions are available for five (5) days, fifteen (15) days, or thirty (30) days.
- There are no limit to the number of Rate Lock Extension requests per loan file as long as the total number of days requested does not exceed the 30-day maximum.
 - 0.0125%/ day

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Cancellation & Relock Policy

- To cancel, withdraw or re-lock a loan, email Locks@myndm.com. Please include the NDM loan number and request type (e.g., extend, relock) in the subject field of the email.
 - A cancelled lock will keep the loan active
 - Withdrawing the loan entirely, will automatically cancel the lock.
- Relocks are available once a lock is expired, has been cancelled or the loans have been reinstated:

NON-QM

- A loan that is relocked within 45 days from the original expiration date or cancellation will be subject to worse case pricing less .25.
- Loans relocked after 45 days from the original lock expiration will be subject to current market price.
- Loans may be relocked only for the original lock term and are subject to a relock fee. Any prior extensions and relock fees are cumulative.

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- Re-submissions of loans cancelled or denied, up to 30 days past the lock expiration date, will be locked at worst case between the original loan price and current market.
- If the lock is 31 or more days past the expiration date, it will be treated as a new lock and current market price will apply.
- **If the rate has increased**
 - "Worst of Pricing" compares existing price to current price on new rate.
- **Original rate is no longer available**
 - The Rate must be changed to an available rate and "Worst of Pricing" compares existing price to current price on new rate.
- **Product is changed**
 - "Worst of Pricing" compares existing price on original product to new price on new product. Price cannot improve regardless of product change.

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- If a lock has been expired or cancelled for less than or equal to seventy-five (75) days, the loan will be subject to Worse Case Pricing. The cost to relock the loan will be equal to the 15-day or 30-day Rate Lock Extension fee respectively and will be applied after the Worst Case Price has been determined.
- Locks whose Rate Lock Expiration Date occurred more than seventy-five (75) days prior will be relocked at current market.

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Change Requests

- Product changes on a locked loan may be subject to worse case pricing.
- Once a loan is locked, any changes made the loan affecting pricing may change pricing adjustments. Changes in critical information (e.g., LTV, Fico score, debt ratio) will be priced off the original lock date.
- Once the loan is in **Appraisal Rec'd Finished** milestone, lock desk requires an updated 1008, 1003, and credit package sent to the Underwriter before the change is requested to the lock desk.
- The lock desk cannot make changes to the sales price, appraised value, loan amount, loan purpose, or FICO without approval from the underwriter once the loan has been submitted to underwriting.
- The Account Manager is responsible for notifying the lock desk of any changes to the loan structure that has an effect on pricing.
******All rate, term, amount, or product changes on a loan already underwritten requires re-approval from the underwriter******

MAX PRICE

NON-QM

- The max rebate price is **before** the fee buyout and compensation plan is added in the final net price.
 - Please refer to the rate sheet for max rebates per program.

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- Please refer to rate sheet.