

# INTEREST RATE LOCK POLICY

Interest rates are floating at the time of application which means they are subject to change at any time per market conditions. Daily rates are in effect during the hours of 11 AM - 5 PM Monday - Friday. You may choose to lock in your interest rate (one time option) at any time during the loan process, but no later than 10 calendar days prior to your scheduled closing date. Moreover, your interest rate must be locked prior to scheduling a closing date.

## **Rate Lock Window:**

To request a rate lock, please complete and submit the Rate Lock Request to your Mortgage Loan Originator or Loan Processor. You may request the daily published interest rate during the hours of 11 AM - 5 PM Monday - Friday by calling (800)628-7070. Rate lock requests received outside of these hours will not be honored and a new request must be received during the aforementioned hours.

## **Rate Lock Period:**

The rate lock period will be established at time of lock-in. If the rate lock period expires and your loan has not closed, your interest rate will float and can never be less than the previously locked interest rate.

## **Rate Lock Extensions:**

If your rate lock has not expired, a rate lock extension may be purchased for a non-refundable fee of 0.125% (of the loan amount) for every 7 calendar days requested, not to exceed 28 calendar days.

A request for a rate lock extension must be made in writing prior to the expiration of the original rate lock period and is payable at the time of request.

## **Float-Down Options:**

After the initial rate lock request, you have a one-time option to purchase a reduced rate if our daily published interest rates decrease. The cost of a float-down option is a non-refundable fee of 0.375% (of your loan amount) for every 0.125% reduction in interest rate.

A request for a rate float-down must be made in writing prior to the expiration of the original rate lock period and is payable at the time of request.

## **Program Changes:**

If you choose to change your loan product after you have locked in your rate (e.g. change from a 30 year fixed to a 20 year fixed) you will receive the greater of the daily published rate for the new loan product on either the original lock request date or the product change request date.

**Loan Level Price Adjustments:**

Based on certain risk factors of your loan, you may be subject to additional fees. These fees are referred to as Loan Level Price Adjustments (LLPAs) and are based on credit score, loan to value, property type, subordinate financing and occupancy. These fees (if applicable) will be disclosed to you throughout the loan process and will be included in your statement charges at the time of your loan closing.

**Discount Points:**

The payment of discount points can effectively reduce your interest rate and is an option that is available to you throughout your loan application process up to 10 days prior to your scheduled closing date.

**Loan Application Cancellation:**

If you choose to cancel your existing application and re-apply in order to obtain the current market terms, you will be subject to a 90 day waiting period before a new application can be submitted.

**Disclaimers:**

All fees reflected above are non-refundable so long as the Credit Union approves your application. Your fee will be refunded to you if a statement of credit denial is issued by the Credit Union. If you provide incomplete and inaccurate credit information to the Credit Union, your fee will not be refunded to you in the case of a credit denial.

A rate lock agreement does not constitute a loan approval or a commitment by the Credit Union to lend.

Bethpage Federal Credit Union is not obligated to make a loan to you. The application for a loan containing the credit Terms is subject to satisfaction of all underwriting, collateral and credit requirements of the Credit Union.

It is your responsibility to provide all documentation, accurate information, and certifications that Bethpage Federal Credit Union may reasonably request. You authorize Bethpage Federal Credit Union to take such actions as reasonably necessary to process your loan, obtain all required information and approvals from third parties, and process your application. Bethpage Federal Credit Union will process your loan application in good faith, but cannot promise that your loan will fund before this Lock In Agreement expires. Delays in processing can occur for many reasons, including without limitation: your action or inaction, or the action or inaction of third parties (such as appraisers, second or home equity mortgage lenders other than Bethpage Federal Credit Union Attorneys, or credit agencies). You must satisfy all of the loan conditions and contingencies and sign and deliver loan documentation that is satisfactory to Bethpage Federal credit Union.

I/we hereby acknowledge receiving and reading this rate lock policy. I/we understand and agree to its terms and conditions.