



first community mortgage



Wholesale Rate Lock Policy

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Overview

FCM adheres to the following Lock Extension, Relock, Float Down, Program Change, Extended Lock, as applicable, for all loans.

Lock Desk Hours

All lock, relock, and extension requests should be processed through the pricing engine and can be accepted beginning with the morning price release.

Operating Hours

- Monday to Friday 8:00AM CST to 4:45PM CST

Rate Sheet Availability

- 9:30 CST with Agency Pricing
- 10:45 CST with Non-Agency & Jumbo Pricing

Locking Hours

- 9:30am – 6:30am (next day) CST Agency Programs
- 10:45am – 5:00pm CST Non-Agency Programs

If you have any questions, you can contact the lock desk via email or by phone.

Email: lockdesk@fcmpartners.com

Phone: (844) 230-5625

Priced Lock and Scenario Pricing Engines

Daily pricing displays based on the parameters of the search criteria and loan file. Pricing displayed and rate/price locked **DOES NOT guarantee** loan approval. All loans are subject to final underwriting approval. Any exception(s) pertaining to *loan level eligibility/approval* must be reviewed, approved, and signed off by the Underwriting Manager or Corporate Credit, depending on the exception level.

Examples: Below FICO score minimum, below loan amount minimum, property type, etc.

Notes:

- For any exceptions approved, the Wholesale Lock Desk may apply additional Loan-Level Price Adjustment (LLPA) price adjuster, pertaining to the exception.
- It is Sales' responsibility to always check the specific Program Guidelines and Rate Sheets.



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General Policies

- Locks must have a valid property address and borrower Social Security number (SSN).
- Locks are not transferrable from one property address to another.
- Locks, extensions, and relocks are not allowed on loans in Underwriter (UW)-Declined, Withdrawn, or UW Cancelled status.
- Lock expiration dates that fall on a weekend or holiday roll to the following business day.
- Lock extension terms are added to the current expiration date.
- Relock terms begin on the day of the request.

Agency Conventional and Government Products Lock Policy

The following policies apply to agency conventional and government products.

Lock Extensions

The following chart applies, regardless of market movement.

Max Number of Days	Cost
30	.020 bps per day

- All lock extensions must be requested on or before the day of expiration.
- Expired locks cannot be extended. Follow the Relock Policy for expired locks.
- FCM permits two extensions for a maximum of 30 days total.
- Lock extension expiration dates that fall on a weekend or holiday will automatically roll over to the next business day.

Re-locks

A “re-lock” or “recommitment” is a request for revision of a previously locked loan that has been expired or cancelled.

- Relocks are allowed on *expired locks only*.
- The new pricing is based on the worse case between the original lock date and the current market.
- Final pricing includes all prior extension and/or relock fees.
- All re-lock requests must be submitted to lockdesk@fcmpartners.com to re-lock a loan.
- The original lock term will be used to determine pricing.
- A loan can be locked to current market if expired at least 30 days.



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Example: If the original loan was locked for 30 days, the relock will be based on 30-day pricing.

Notes:

- Relock loans are eligible for lock extensions per extension policy.
- Pricing cannot improve on a relocked loan.
- If price adjustments and/or underwriting guideline changes have occurred since initial lock, the loan will be subject to worse case price adjustments as well as subject to current guidelines.
- Multiple relocks are permitted.

Overnight Locks

The ability to lock certain products overnight during normal business days is allowed. The pricing engine will allow automated locks until 6:30AM CST each morning. **After 6:30AM CST current market rates will apply.** If the broker cannot access the pricing engine up to 6:30AM CST an email can be sent to the lock desk with the following information to hold the previous days rates: Borrower Name, Property Address, Loan Program, Note Rate, Lock Term, Loan Amount and Loan Number (if a loan was previously created in the system). Once Pricing is posted the next day the broker should lock the loan in the system and contact the lockdesk to adjust the pricing. Jumbo products and other specialty products are available from 9:00am until 4:45pm Central, Monday through Friday.

Weekend Pricing

The ability to lock loans over the weekend is not allowed however the ability to price loans using our pricing engine is available. The pricing shown will reflect the pricing from the most recent business day and is not guaranteed to remain static through the next business day. The ability to price loans over the weekend is meant as a tool to gauge the estimated rate/pricing and is not intended as a final price.

Rate Renegotiations/Float Downs

Improving market conditions, a rate renegotiation/float down is available under the following guidelines:

- Current market with 0.50 float down fee.
- Original lock expiration date will apply.
- Only one float down is allowed per loan.
- All previously applied pricing adjustments will remain.
- Original lock period will be used to determine market movement.

A float down can be requested by contacting the lock desk at lockdesk@fcmpartners.com.

Exclusions: Non-Agency/Jumbo, NonQM, and Bond/Housing Finance Agencies (HFA) programs are ineligible for float downs.



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Program Changes

A loan program change request made for a currently active, locked loan, will be subject to original lock date's pricing if the new program falls under the same tier. If the new program selected falls into a different tier, then pricing will be subject to worse case.

Same Program Tier – (Same-Day Pricing)

- 10 Year Fixed to 15 Years Fixed
- 20 Year Fixed to 25/30 Year Fixed
- HomeReady to Home Possible
- Federal Housing Administration (FHA)/Veterans Affairs (VA) to United States Department of Agriculture (USDA)

Program Tier Change – (Worst-Case Pricing)

- Conventional to Government
- 10/15 Year Fixed to 20/25/30 Year Fixed
- Fixed to Adjustable Rate Mortgage (ARM)

Example 1: The loan is originally locked as 30 Year Conventional, changing to FHA 30 Year Fixed = Different Tier, subject to worse case pricing.

Example 2: Loan is originally locked as a 30 Year Conventional, changing to a 30 Year Conventional High Balance or 20 Year Fixed = Same Tier. Pricing is subject to original lock date.

Non-Agency/Jumbo and NonQM Lock Policy

The following guidelines apply to Jumbo and Non-Agency loan programs.

Lock extensions	<ul style="list-style-type: none"> • Lock extensions are allowed on unexpired (current) locks only. Lock extension expiration dates that fall on a weekend or a holiday will automatically roll over to the next business day. <p>Expired loans cannot be extended.</p>
Relocks	<p>Relocks are allowed on <i>expired locks only</i>. The loan must be in an APPROVED status or greater to be eligible for a relock. The new pricing is based on the worse case between the original final pricing plus the relock fee of 0.25.</p> <p>Current market rellocks are allowed after 30 days of lock cancellation or expiration.</p>
Rate renegotiations / roll down	<p>Rate renegotiations are not allowed on Jumbo/Non-Agency and NonQM products.</p>



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Program changes

Product change requests from one product to another is permitted and can be processed via an email to the Lock Desk. If a previously locked loan changes program tiers, the loan will be required to be priced at worse case.

Extended Lock Option with Upfront Fee

FCM/AMB offers the following extended lock terms outlined below:

Extended rate lock fees apply as detailed in the [Extended Rate Lock Fee Procedure](#).

Eligibility:

- Available on Conventional, Fixed, FHA & VA and USDA.
- Non-Agency and Bond Products not allowed.
- A one-time rate renegotiation/float down is allowed. Refer to the [Rate Renegotiation/Float Down](#) section for additional information.
- Lock extensions are allowed per policy.

Extended Rate Lock Rate Renegotiation: A one-time renegotiation may be requested within 30 days of closing or lock expiration. The renegotiation is based on current market rates with a 0.500 hit to price.

Extended Lock Terms

Rate lock pricing is based on a 60-day lock as follows:

Lock Term	Upfront Fee	Refund Upon Closing	Rate Adjustment	Total Cost to Borrower
120 days	0.250	(0.250)	0.250	0.250
150 days	0.375	(0.375)	0.375	0.375
180 days	0.500	(0.500)	0.500	0.500

To lock using the **Extended Lock Terms**, choose the 60-day lock term in the Pricing Engine and immediately (same day) contact the Lock Desk with the loan number and how many days selected under the extended lock term. The Lock Desk will then apply the rate adjustment along with the upfront fee associated with the term chosen.



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7 Day Lock Option

FCM offers a 7-day lock option. Pricing will be 0.10 improvement to the 15-day price. Eligibility:

- Only available for Conventional and Government products.
- Not allowed on Jumbos, NonQM or Bond/HFA loans.
- Purchases can lock in Approved status.
- Refinance transactions must be in Clear to Close (CTC) status.
- If additional days are needed on the lock, lock extensions are still available.

Locking Procedure: To lock for 7 days, choose the 15-day lock term and immediately (same day) contact the Lock Desk with the loan number to update the lock term and final price.

*On refinances, loan may be locked in Approved status, and once CTC is given, LO to email Lock Desk to update to a 7- day lock. This must be requested the same day.