
INTEREST RATE LOCK/FLOAT AGREEMENT

You have applied for a real estate loan with _____ and may have the option to “lock” your interest rate or let the interest rate “float” until you are ready to close your loan. Before you make the decision to “lock” or “float” your interest rate, please consider the following:

1. _____ cannot anticipate whether interest rates will go up or down during the loan-processing period. Any decision to “lock” or “float” should be based upon your own evaluation of the market.
2. Locking your interest rate does not constitute loan approval and it does not guarantee that you will qualify for the loan program you have “locked.” If your loan request is denied for the program you have locked, your interest rate “lock” will no longer be valid or transferable to other loan programs/lenders. _____ does not guarantee this lock agreement. When you lock, _____ will take your lock with one of our loan relationships. _____ makes no warranties for the lender regarding the lender’s ability or willingness to deliver such lock. An agreement between _____ and the lender facilitates the lock. This agreement details the cost, terms, duration, and conditions of the lock-in agreement.
3. Any interest rate “lock” is valid only until the expiration date shown. If the lock expires, the rate and points are subject to change. In the event that your loan does not fund on or before the lock expiration date, the loan must be re-locked at the “higher of” the previous lock price or current scheduled pricing using the same lock option. A re-lock is not automatic upon expiration. In some cases, the lender may discontinue the loan program under which you locked, subsequent to the expiration of the lock. _____ will make its best effort to assist you in closing the loan during the lock period. However, be aware that the rate may change if any of the loan factors change.
4. If a fee is charged for the interest rate “lock,” it will be refunded to you if your loan is denied. However, if your loan request is approved but you fail to close the transaction on time, the interest rate “lock” fee will be non-refundable.
5. If you are not locking and are “floating” your interest rate, you may still have the opportunity to “lock” prior to closing. Please notify your loan office if you wish to “lock” at a later date. At that time you will be advised of the market rates available to you.

Please initial one, Float or Lock:

_____ **Float** — I/We have chosen not to lock our loan and I/we understand that our rate is subject to change without notification. If we choose to lock-in our rate subsequent to this disclosure, we will be delivered a rate lock-in agreement within three days, including Saturdays, along with another copy of this disclosure.

_____ **Lock** — I/We have chosen to lock our loan and have completed this interest rate lock agreement with _____ on _____ / _____ / _____ subject to the terms and conditions in this agreement.

Interest rate: _____ %

Loan program: _____

Loan amount: \$ _____

Lock date: _____ / _____ / _____ Lock days: _____

Subject property: _____

Loan term: _____ This lock-in agreement will expire on: _____ / _____ / _____

Borrower signature Date Co-borrower signature Date