



# RATE CONTRACT AND FINANCING AGREEMENT

Loan Amount: \$ \_\_\_\_\_ Term: \_\_\_\_\_ Interest Rate: \_\_\_\_\_ Pts: \_\_\_\_\_

## PROPERTY ADDRESS

You have applied for the above referenced loan. Your rate has been "locked-in" at the above referenced rate and points. This "Lock-in" is subject to the following terms and conditions:

a. Origination Fee \_\_\_\_\_ %      b. Discount Fee \_\_\_\_\_ %

You realize that the particular loan (the "Product Type") for which you have applied may be discontinued in the sole discretion of MA without prior notice to you, and in such event, you will not be able to obtain this Product Type unless your loan closes and disburses prior to the expiration date shown below. If the Product Type for which you have applied is discontinued, you realize that you must apply and qualify for a different Product Type on the then existing terms and conditions.

If your initial commitment expires, your rate and fees may change. If you wish to secure a "locked-in" rate and fees at any time after your initial lock-in period expires, the rate and fees for the product you are selecting will be the higher of the rate and fees at the time of initial lock-in or the rate and fees in effect at the time you elect to relock. The rate and fees you lock-in will remain in effect for thirty (30) days.

In any event, to allow MA adequate time to prepare the final loan documents and closing figures, your loan must be locked-in to a rate and fees at least 3 business days prior to the scheduled closing date.

If the loan does not close within 120 days of application, some of the loan documents (i.e., credit report, appraisal, verification of deposits or employment) may have to be updated. If an updated credit report and/or appraisal is needed, you will be charged for the cost of this update.

Although you have applied for a loan in the principal amount stated above, we will not commit to such an amount until we have reviewed all of the statements in your application, examined the proposed security for the loan, and conformed the loan to our underwriting guidelines. If our review reveals that you only will qualify for a loan in a lesser amount than you requested, we may unilaterally change the principal amount of the loan stated above.

In consideration of your rate lock, MA requires \_\_\_\_\_ does not require \_\_\_\_\_ a 1% lock-in fee. This fee will be credited back to you at your closing.

Your Interest Rate Fee WILL NOT be either refunded OR credited against the total fees charged AND your rate/point guarantee will be VOID if: (1) You withdraw your loan application; OR (2) You fail to promptly provide all necessary information or otherwise cooperate; OR (3) You provide any significantly inaccurate information or omit any significant information, whether in your application or otherwise; OR (4) Your mortgage loan application is approved but your loan (due to your error) does not settle until after the expiration of this Rate Contract and Financing Agreement; OR (5) You change the type or term of the loan for which you have applied; OR (6) You have paid the Interest Rate Fee by check and the check is refused for payment.

**ESTIMATE OF PROCESSING TIME:** MA estimates that it will take approximately 55 days or less to process and, if approved, close your loan taking into account MA's estimate of the time necessary for the performance of any local government inspections and other functions necessary to close the loan. The actual time necessary to process and close the loan may vary from the estimate due to delays in MA receiving required information from you or from others such as property appraisals, governmental inspection reports, credit reports, surveys, verification statements, title and other insurance commitments or policies due to the failure of the closing agent to close the loan in a timely manner. Therefore, MA is unable to guarantee that your requested loan will be approved or closed within the estimated time or prior to the expiration of any applicable lock-in period.

**NOTICE:** Closing on your loan may be delayed by any of the following internal factors: Underwriting may take a minimum of five (5) business days; thus all information needed for loan approval must be received a minimum of ten (10) business days prior to lock-in expiration date in order to insure timely settlement.

You hereby authorize us to make all credit inquiries we deem necessary while processing your application for a mortgage loan. You also hereby authorize and instruct any consumer reporting agency, financial institution, employer or other person to furnish information we may request to verify the contents of your application. Finally, you agree to provide current financial information to us upon request in a form acceptable to us.

**THIS RATE CONTRACT AND FINANCING AGREEMENT DOES NOT CONSTITUTE A COMMITMENT TO MAKE A LOAN NOR DOES IT CONSTITUTE YOUR FINAL BINDING AGREEMENT WITH US.** This Rate Contract and Financing Agreement provides you only with a rate and fee lock-in and is conditional upon MA approving your loan under our established underwriting guidelines.

In this Rate Contract and Financing Agreement, the terms "you" and "your" refer to the undersigned borrowers. The terms "our", "we", "us" and MA refer to Mortgage America. The term "lock-in" means that MA will honor the stated rate for the stated period, notwithstanding any other provisions of this Rate Contract and Financing Agreement. The term "floating" means your rate and fees are not locked-in but change as the current market price changes. The term "fees" refers to the Origination Fee and Discount Fee.

COMMITMENT EXPIRATION DATE: \_\_\_\_\_

BORROWER \_\_\_\_\_ DATE \_\_\_\_\_

CO-BORROWER \_\_\_\_\_ DATE \_\_\_\_\_

MA REPRESENTATIVE \_\_\_\_\_ DATE \_\_\_\_\_