

VIP WHOLESALE LOCKDESK POLICY AND PROCEDURES

Lock Desk Contact and Hours

Lockdesk operates primarily out of an email ticket system: lockdesk@vipmtginc.com

The Lockdesk is physically staffed from 7am-6pm AZ time and open for new lock requests at 7:30am-5:30pm AZ time, Monday through Friday, excluding feral holidays. Locks received outside these hours or on holidays/weekends will not be accepted.

The lockdesk can also be reached via phone during normal business hours ([480-685-4971](tel:480-685-4971))

Rate Lock Agreement

A lock is an agreement between the Broker and VIP Wholesale. It specifies the number of days for which a loan's interest rate is guaranteed. If interest rates rise during that period, VIP Mortgage is obligated to honor the committed rate. Likewise, if interest rates fall during that period, the Broker must also honor the lock. Locking in a rate and price does not guarantee eligibility or approval of the subject loan. Locks are not transferable and are tied to the property, not the borrower. Brokers should make every effort to close all loans locked, actively manage their locked pipelines, and cancel any locked loan that has been withdrawn by the customer.

Lock Process

All locks are handled through our online portal. Manual lock requests cannot be honored via phone or email. Once a loan is locked, a complete file must be submitted, approved and closed within the time frame of the locked period to remain active. Otherwise, the lock will be canceled. 15, 30, 45 and 60 day locks will be made available. Loans must be locked before a clear to close can be issued. Incomplete lock requests that require further information and/or clarification from the broker are considered "pending" and are not protected in the case of a price change.

A lock confirmation will be sent directly to the Broker when the loan is locked. The Broker is responsible for saving their confirmation as evidence of the agreement entered and to report any inconsistencies within the same day of the confirmation date.

The Broker is responsible for tracking any updates to the structure of the loan that affect pricing which must be validated by the Lockdesk. All loans must meet the terms of the latest confirmation.

Changes to locked Loans

It is essential that all steps be taken to ensure pricing accuracy before loan documents are drawn. It is the Brokers responsibility to change the lock accordingly. Changes to program, loan amount, rate, terms, borrower name, etc. are all subject to re-pricing and must be requested in writing by emailing Lockdesk@vipmtginc.com or through TPO Connect. Changes to the lock period or property address (unless typographical error) may not be changed unless requested the same day as the initial lock request.

Lock Expiration

All Loans must be funded and delivered on/by the lock expiration date. Locks with a weekend or holiday expiration date will expire on the first business day following the stated expiration date; this will be the effective expiration date. Locks may be extended at a cost of .02% per day for 1 - 30 days. Extension requests beyond 30 days total time extended will be reviewed on a case-by-case basis. If an extension request is received and the extended loan will expire on a weekend or holiday, the Lockdesk will roll the expiration date to the following business day with the appropriate additional days at cost.

All extension requests are to be requested by emailing Lockdesk@vipmtginc.com or submitted through TPO Connect before 6pm AZ time on the date of lock expiration. The rate lock agreement will no longer be honored on expired locks and the file will be subject to our relock policy to proceed.

Relock Policy

A relock is a request to lock a loan for a second time. A loan that is not submitted by its lock expiration date will be subject to a relock fee. Relocks must be requested with full documentation during normal lock hours.

If a relock occurs within 30 days of the lock expiration date or the lock cancellation date, the relock pricing is based on either current market pricing with the original locked term or the existing pricing, whichever is worse. Any previous extension costs will still be included in pricing. In addition, a relock fee is added to the loan.

- 30 day relock: Worse Case pricing plus .10% relock fee

If 30 calendar days have passed from the lock expiration date or the lock cancellation date, the relock will be subject fresh, current market price. No relock fee will apply, and all previous extension costs and concession will be cleared out. The loan can be relocked for any desired lock period.

Lock Cancellations

For non-active status loans that currently have active locks, the Broker is responsible for letting the lockdesk know that the lock should be canceled. Non-active statuses include:

- Withdrawn by customer prior to U/W
- Cancelled by Borrower
- Denied by Underwriting
- Closed for Incompleteness

Not cancelling locks in a timely manner can have a negative and substantial impact on a customer's pricing over time. Please be sure to cancel locks as soon as it is evident that the loan will not be closing. Cancellations or withdrawals are serious considerations as the loan immediately ceases to be price or guideline protected. If the broker needs the loan reinstated, the loan must be relocked.

Lock Renegotiations

Lock renegotiations are allowed once per loan if pricing has substantially increased since the lock agreement. Loans that are clear to close may be renegotiated down at least an eighth in rate at current market pricing with an additional renegotiation fee. Pricing is based off the same initial lock period that the lock was requested at, and a .75% renegotiation fee is applied. A rate renegotiation does not change the lock expiration date. Extensions are still allowed if needed. Rate change requests after a rate renegotiation are prohibited.

Pricing is capped at what the loan was locked at prior to the renegotiation. (e.g., If a loan is locked with a pricing of 100, pricing will not increase over 100 after lowering the rate through a rate renegotiation.)