

# Broker Lock Policy

Updated March 4, 2010

## Locks

- All locks must be processed online through Reunion Direct
- Locks and requests are accepted between 8:30 am to 4:00 pm Pacific Time (10:30 am to 6:00 pm Central Time or 11:30 am to 7:00 pm Eastern Time)
- The broker's account status must be Approved or Pending
- Locks will be confirmed by email to the email address provided at the time of the lock
- Weekend or holiday expiration dates are rolled to the next business day
- Locks must have an associated property address and social security number
- Locks are not transferable
- Locks will be reviewed for correct pricing and program guideline adherence
  - Any correction to locks will be posted to notes in Reunion Direct
  - Locks for loans not meeting guidelines will be declined
- Locks for files requiring an exception are permitted after the exception is granted

## Lock Terms

- Available Lock Terms
  - Purchases and refinances: 20, 25 and 30 days
  - Purchases only: 35, 40 and 45 days
- Refinances on 35, 40, and 45 day lock terms will be automatically converted and priced to a 30 day lock term
- Advance Locks
  - Complete file must be submitted within 10 calendar days of locking (or lock date +9)
  - Complete files not submitted prior to the delivery expiration will be cancelled for non-delivery
  - Locks cancelled for non-delivery are subject to the Relock Policy

## Jumbo Loans

- Loans under the Jumbo programs, J30 & J51L, must have investor approval prior to lock
- Locks for Jumbo loans without investor approval will be declined

## “No-Cost” Loans

- In accordance with RESPA, “no-cost” loans where the borrower credit exceeds all origination fees and settlement fees, the loan originator must choose to 1) apply a principal reduction to the principal balance, 2) reduce the interest rate and the credit accordingly, or 3) have the credit remain the same for cash-out transactions.

## Program Change

- Program change is priced at “worse-of-market”
- The lock expiration date will remain intact
- If changes in guidelines occur, the lock will be evaluated against current guidelines
- All other adjustments applied to the lock (i.e. lock extensions) will remain intact
- All program change requests must be emailed to [lockdesk@reunionmortgage.com](mailto:lockdesk@reunionmortgage.com) or posted in Reunion Direct notes during Lock Desk hours

## Lock Extensions

- Requests for extensions must be received on or before the lock expiration date
- File must be in Underwriting Received status prior to requesting an extension
- If changes in guidelines or price adjusters occur, extension requests will be evaluated against current guidelines or price adjusters and granted at the discretion of the Lock Desk
- Requests for extensions will be considered as market conditions permit
- Locks may be extended **one time** for 2, 5, 10, or 15 days. If the loan does not close and more time is needed, the lock will be subject to Reunion's Relock Policy
- Extension fees will be assumed to be paid by the broker through netting of broker origination charges, unless otherwise requested

Extension	Price
2-days	0.10
5-days	0.15
10-days	0.20
15-days	0.30

- All lock extension requests must be emailed to [lockdesk@reunionmortgage.com](mailto:lockdesk@reunionmortgage.com)

## Relock Policy

- Relocks may be requested after the lock expiration, cancelled or denied date
- File must be in Underwriting Received status prior to requesting a relock
- Relock term will begin on the day of request
- If changes in guidelines or loan level price adjustments occur, the lock will be evaluated against current guidelines and loan level price adjustments
- Any exception fees applied to the lock will remain intact
- A relock is priced at "worse-of-market"
  - A 0.125 relock fee may be applied to every relock after the first relock request
- Relock fees will be assumed to be paid by the broker through netting of broker origination charges, unless otherwise requested
- All relock requests must be emailed to [lockdesk@reunionmortgage.com](mailto:lockdesk@reunionmortgage.com)

## Current Market Relock

- Expired, denied, and cancelled locks are eligible for current market pricing 60 days after the lock expiration or date of cancel or date of denial

Contact your local branch with questions, or email [customerservice@reunionmortgage.com](mailto:customerservice@reunionmortgage.com)