

NATIONSTAR BROKER RATE LOCK DELIVERY POLICY

RATE SHEET CREATION POLICY

Lock Hours: 8:30am CST – 10:00pm CST

Website: NationstarBroker.com, Rate Lock through XpressQual

Help Line: 877-698-7300 or call your Account Executive

Rate sheets will be published daily and will be posted on Nationstarbroker.com. Rate sheets will list the rates and prices available for all products. Interest rate and point quotes will be sent to the approved distribution utility, targeted before 10:00a.m. CST daily. These rate publications are subject to change anytime throughout the day. If there is an intra-day price change, the new Rate Sheets will be posted to the website and will be effective until 10:00 p.m. CT, unless there is another intra-day price change.

On holidays observed by Nationstar where NSM is closed, new pricing will not be distributed. On holidays where NSM is open, rate sheets will be distributed as usual. Pricing from the previous business day should be used on the holiday. If the holiday is on a Monday, rates are distributed on Friday and are effective through 10:00 p.m. CT Monday. If the holiday is on a Thursday, rates are distributed Wednesday and are effective through 10:00 p.m. CT Thursday.

Note: Business days are considered Monday – Friday excluding holidays.

RATE LOCK POLICY

In order for a loan to be offered rate protection, a rate lock commitment must be entered into XpressQual. The commitment effectively locks the rate/point combination for the duration of the commitment period. As long as the loan is closed within the commitment period the initial rate/point combination stands regardless of what happens to interest rates.

Rate lock periods must cover loans up through closing and funding. If a loan is subject to the right to rescission, the Rate Commitment Expiration Date must cover through funding.

Returning loans to a floating status when worse case pricing has expired is a request to be approved by NSM. If approved, the loan must remain in a floating status for 30 days from the return to float date. After the 30-Day period, the loan can be rate locked using current market pricing. Requesting loans to be unlocked to avoid extension fees or to take advantage of falling interest rates is strictly prohibited.

If a loan is erroneously rate locked, the CSR or Account Executive must be contacted before the end of business day of rate lock to return the loan to floating status. If Nationstar is not contacted during this time, the request to return to float will be denied. The 30-Day waiting period does not apply in these cases.

XPRESSLOCK

Once the case is locked in XpressQual, modifications to the social security number(s), borrower name(s) or property address are not permitted. The 1003 must be uploaded and credit imported as normal to submit the case to LOS within the allotted 7 day time frame to prevent lock from being subject to worse case pricing. Initial package submission must also include a "locked" GFE dated within 3 days of the XpressLock date.

RATE LOCK MANAGEMENT

It is important that brokers actively manage their rate locked pipeline to ensure any loan NSM is hedging will close. Excessive cancellations and fall out will be grounds for review. If NSM is apprised that the file is no longer being processed to achieve closing or no application has been received, action should be immediately taken to withdraw the rate lock and remove it from the at-risk pipeline.

EXTENSION POLICY

Please review rate sheets for extension costs.

Extension fees are charged on a per-diem basis based on the number of days from original rate lock expiration to the new rate lock expiration date requested by the customer. Loans may be eligible for a one time free extension of up to 7 days, if the loan has been fully approved or is in closing and current market price is better than original lock date. If a longer extension period is needed, normal extension fees apply.

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Extensions may be applied in the specific number of days requested. The customer cannot remove an extension, regardless of market conditions. An active loan may be extended up to a maximum of 60 days. Loans requiring more than 60 days extension are subject to review and approval prior to extension. Once the rate lock is expired, the loan **must** be subject to Worse Case Pricing.

Note: When an extension is applied, the expiration must fall on a business day. If the extension expires on a weekend or holiday additional days will be added, at normal extension cost, until the following business day. Also, loans need to be extended to the funding date.

WORST CASE PRICING POLICY

Worst case pricing (WCP) is calculated by comparing the original total price to the current total price, applying the lower price of the two. Prices used in WCP comparison should be all-in including all pricing adjustments. Prices should be based on the same note rate and lock period. The following examples will invoke the borrower's rate lock to worse-case pricing:

- **Switching amortization. (30, 25, or 20 year term to a 10 or 15 year term and vice versa or switching from an ARM product to any other product and vice versa)**See Groups for examples****
- **Switching programs and/or products more than 3 times (changing programs/products multiple times in the same day does not constitute WCP)**
- **Expired locks still within 30 days of the expiration**
- **Cancelling a loan**
- **Manual locks not submitted to LOS within 7 days**

If a loan is re-submitted and the lock for the previous loan submission has been expired for at least 30 days or cancelled for at least 30 days, the new loan will be priced using current market pricing. In this scenario, a loan may be locked using any available lock period. Otherwise, loans re-submitted within the 30 days since old lock was cancelled or expired will be subject to WCP. Locks from a previous loan (same borrower and same subject property) may only be transferred to a new loan number if the old loan was cancelled the **same day** as the lock transfer is requested.

Group A	
FNMA Conforming 30 YR	FNMA JUMBO 30 YR
FNMA DU REFI PLUS 30 YR	FHA 30 YR
FNMA DU REFI PLUS 25 YR	FHA STREAMLINE 30 YR
FNMA DU REFI PLUS 20 YR	FMAC 30 YR
FNMA Conforming 20 YR	FMAC JUMBO 30 YR
FNMA Conforming 25 YR	FMAC 20 YR
FNMA Homepath 30 YR	VA 30 YR
Group B	
FNMA 15 YR	FNMA 10 YR
FMAC 15 YR	FHA STREAMLINE 15 YR
FNMA DU REFI PLUS 15 YR	FHA 15 YR
FMAC Open Access 15 YR	VA 15 YR
Group C	
FNMA 3/1 ARM	FMAC 3/1 ARM
FNMA 5/1 ARM	FMAC 5/1 ARM
FNMA 7/1 ARM	FMAC 7/1 ARM
FNMA 10/1 ARM	FMAC 10/1 ARM

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Product changes within each group do not go worse case pricing:

Examples:

- a) Changing from FNMA Conforming 30 YR to FMAC Jumbo 30 YR will not take you worse case pricing
- b) Changing from FMAC 15 Conforming 15 YR to FNMA Conforming 10 YR will not take you worse case pricing
- c) Changing from FNMA DU Refi Plus 30 YR to FNMA DU Refi Plus 15 YR will take you worse case pricing

Instructions to submit a Manual Rate Lock Request

1. Should a lock request failure occur in XpressQual, click the "Rate Lock" link on the left navigation bar of Nationstarbroker.com and complete the required form.
2. Once your rate lock form has been completed – click submit.
3. An automated response will be emailed to the address supplied on the rate lock form acknowledging your request. **Please note – if you do not receive an automated response to your email address, then your rate lock was not received and therefore will not be honored by Nationstar Mortgage.** Immediately contact your Account Executive with any issues.
4. A Final Lock Confirmation will be emailed within 24 hours once Nationstar has completed the lock process in our LOS.
5. Please see our available lock period options along with the accompanying requirements below:
 - **45 or 60 Day Rate Lock** – Submit the loan through Nationstar's XpressQual on-line submission system. (Then follow instructions 1, 2, & 3 above)
 - **30 Day Rate Lock** – Submit the loan through Nationstar's XpressQual on-line submission system. (Then follow instructions 1, 2 & 3 above.) The full loan package must be e-mailed to Nationstar Mortgage at Loan.Submit@Nationstarmail.com within 10 calendar days of the rate lock or the rate lock will be **voided** by Nationstar Mortgage.
 - **15 Day Rate Lock** - Submit the loan through Nationstar's XpressQual on-line submission system. (Then follow instructions 1, 2, & 3 above.) The full loan package must be e-mailed to Nationstar Mortgage at Loan.Submit@Nationstarmail.com, and a Pre-Approval from Nationstar Mortgage Underwriting Department must be received to be eligible for a 15 day rate lock.

****Important Note:** Lock requests received after 10:00pm CST will be locked using the prices in effect with the next rate sheet issuance on the following day.