

Mortgage Program Acceptance Letter

Borrower : Co-Borrower:

Property Address: , , ,

Rate Lock Options

Option 1. Rate Lock

() () **Initial – I accept the terms listed below.**

Type: Fixed Rate ARM -ARM Type _____ **Program:** Conventional, FHA, VA, Other: _____

Interest Rate: _____% **with Total Points of:** _____% **for** _____ **days.**

These terms will expire on _____.

I/We understand that the interest rate and total points have been locked. I/We understand that if the loan does not close for any reason by the rate lock expiration date, this agreement becomes null and void. I/We understand that if the Loan to Value (LTV) changes, this rate lock will be subject to review and may need to be renegotiated. The new rate will be subject to review by Cornerstone Home Loans, LLC and determined no later than three business days prior to closing. I/We understand that the loan will be closed at the higher of: (a) The terms stated above, or (b) the current prevailing rates and points offered to the public by Cornerstone Home Loans, LLC at the time of closing.

I/We understand that a ½ point deposit is due with this rate lock agreement. This deposit will be credited back at the loan closing on the HUD-1 Settlement Statement. I/We understand that the deposit shall be forfeited if the mortgage loan does not close with Cornerstone Home Loans, LLC due to my/our actions. If the loan does not close due to uncontrollable circumstances, the entire deposit (less any unpaid processing fees, credit, appraisal or flood report invoices) shall be returned to the applicants.

Option 2. Market Float with Rate Lock Option.

() () **Initial – I accept the terms listed below.**

I/We understand that our interest rate is floating. I/We have the option of locking in the interest rate and total points at any time during the processing of the loan application. If the rate is floating until closing, Cornerstone Home Loans, LCC will require the final rate and points be locked no later than three business days prior to closing. I/We understand that the rate and total points will not be considered locked until Cornerstone Home Loans, LLC receives a new Mortgage Program Acceptance Letter executing Option #1 and a ½ point deposit. All funds collected will be credited back at the loan closing on the HUD-1 Settlement Statement.

Additional Information:

- All programs are subject to that availability of funds.
- Cornerstone Home Loans, LLC reserves the right to re-qualify any loan application should the interest increase prior to closing.
- All points paid in advance will be refunded should the loan be rejected for any reason (less any unpaid processing fees, credit, appraisal or flood report invoices).
- Your rate lock agreement extends for the specified number of days listed above, which included today's date. If the expiration date falls on a weekend or holiday, then the same rate will be valid through the next business day.

By signing below, you acknowledge that you have carefully read and understood this agreement and accept the terms listed above. You acknowledge that you have received a copy of this agreement on the date indicated.

Borrower Signature:

Date: _____

Co-Borrower Signature:

Date: _____