

# Wholesale Lock Policy and Procedures

1. **Daily Pricing:** Manhattan Financial Group, Inc. (MFG) Lock Policy & Procedures are designed to maintain a competitive position in the marketplace. In order to do so and ensure the continuation of competitive pricing, our policy must be understood and adhered to. MFG retains the right to modify these policies at any time, without notice to the broker, depending upon market conditions.

2. **Products:** All products and pricing are offered on our website [www.mfgbanking.com](http://www.mfgbanking.com). Best Execution Rate Sheets are posted at 7:30 am PST and updated throughout the day as the market moves. The online pricing and eligibility tool will display all products and pricing available for any given scenario.

3. **Lock Procedures:** All lock requests must be executed by the broker or MFG AE through the online pricing tool at [www.mfgbanking.com](http://www.mfgbanking.com).

Upon receipt of a Lock Request, the MFG Secondary Marketing Department will acknowledge the lock registration via return e-mail with written Lock Confirmation within **24 business hours**. If you have not received the lock confirmation within 24 hours, please contact the Lock Desk at [lockdesk@mfgbanking.com](mailto:lockdesk@mfgbanking.com). A loan is considered locked when you have received the written Lock Confirmation from the MFG Secondary Marketing Department.

4. **Lock Desk Hours:** Lock Requests are available 8:00 AM to 6:00 PM (PST) Monday - Friday.

5. **Lock Requirements:** Loan must be locked through MFG's online pricing and eligibility tool. Lock requests with incomplete or incorrect information will be rejected by the Lock Desk, rate/price protection will not be given as a result.

Loans cannot be in suspended, denied or cancelled status when the lock request is submitted.

6. **Lock Durations:** Loans may be locked for durations of 15, 30 or 45 days. Failure to close and fund prior to the lock expiration date will result in lock extension fees.

7. **Lock Extensions:** All extension requests must be made prior to lock expiration. The pricing system will email a notification to the person who locked the loan stating there is a lock that will expire in the next 5 days. Once you receive this email you must email the MFG Lock Desk requesting an extension.

Locks are extended based on calendar days. Lock extension options are as follows:

<b>1<sup>st</sup> Extension</b>	<b>From When</b>	<b>Price</b>
5 calendar days	Lock expiration date	-0.125
7 calendar days	Lock expiration date	-0.200
10 calendar days	Lock expiration date	-0.250
15 calendar days	Lock expiration date	-0.375
<b>2<sup>nd</sup> Extension</b>	<b>From When</b>	<b>Price</b>
5 calendar days	Extended lock expiration date	-0.250
7 calendar days	Extended lock expiration date	-0.400
10 calendar days	Extended lock expiration date	-0.500
15 calendar days	Extended lock expiration date	-0.750

The maximum number of lock extensions allowed is 2 times. If the loan has failed to close and fund after two extensions have expired then the loan will be in unlocked status and placed into floating status. When the loan is eligible for re-lock the re-lock policy will apply.

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8. **Relocks:** Expired lock registrations may be re-locked with MFG at worse case pricing plus a re-lock fee. Worse case pricing is result of the comparison between the original day's rates and the re-locked day's rates. The worse of those two days is what the price is based off. In addition, there is a -0.375 re-lock price adjustment added to the re-locked rate.

9. **Lock Modifications:** You must contact the MFG Lock Desk at [lockdesk@mfgbanking.com](mailto:lockdesk@mfgbanking.com) for approval if you wish or in need to change a description of a loan that is currently locked. Worse-case re-pricing will apply.

10. **Rate Changes:** If a rate needs to be changed, it can only move up or down by .25% to stay locked at the same day's pricing. If it changes by more than .25% it will be unlocked and relocked at worst case pricing.

11. **Fall out:** Loans that are locked and not closed / funded are considered "Lock Fall Out". Lock Fall Outs are closely monitored by MFG's Secondary Department as well as MFG's Management. The less Lock Fall Out we have the better rates we are able to offer to our brokers. If Lock Fall Out becomes an issue with a broker MFG Management will discontinue the option for Forward Locks and or any lock durations greater than 15 days.

\* **All loans must be locked prior to Closing.**

\* **30 days is the minimum lock duration for Forward Locks.**

\* **Transferring locks from one Borrower to another, or from one property to another, or from one broker to another, is prohibited.**