



## Lock Option Disclosure for Mortgage Loans

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GTE Financial publishes mortgage loan rates every day based on current bond market interest rates. Substantial movements in mortgage rates could occur during the processing of your loan. Your loan's rate will be subject to market changes until your rate has been locked. Carefully consider your personal needs before locking your loan's rate as changes to your loan program or loan terms may result in additional costs to you.

### **Floating Rate Loans**

A Floating Rate loan is a loan that has not yet been rate locked and remains subject to changes in market interest rates until the rate locked. If you decide not to lock your loans rate and your loan is ready to close, GTE Financial will determine your rate terms based on current market rates 10 calendar days prior to your expected closing date.

### **Locked Loans**

When your loan is locked, this means you have established your loan program, interest rate, total points, and your lock expiration date. The lock periods offered may vary based on the loan program selected. If there are changes to the risk factors in your loan (loan-to-value, credit score, loan purpose, property type, etc.) your final points or rebates may be impacted which could result in different closing costs than what was estimated at the time of your rate lock.

In order for us to honor your lock agreement, your loan must close and disburse funds on or before the expiration date of the rate lock. GTE Financial will make every effort to close your loan prior to your lock expiration date. Delays which are caused by you or third parties including title issues, credit verifications, or subordination requests will not result in an automatic extension to your lock expiration date.

### **When can I lock my loan?**

You may lock your loan once your completed loan application has been credit approved and, in the case of purchase applications, we have received a complete and executed sales contract. Refinance applications will require you to authorize us to charge your GTE account or credit card of choice for the cost of ordering your appraisal before you can lock your rate.

### **What are the costs to lock my loan?**

GTE provides the option to lock your mortgage rate as a courtesy to our members. However, we reserve the right to charge a reasonable lock fee in circumstances that are considered exceptional. If a fee is applicable and paid by you, the fee will be credited at closing or refunded to you if your loan is not approved. All other fees associated with a rate lock (such as extensions) are non-refundable.

### **What if I need to extend my Rate Lock?**

If it becomes clear that your loan will not close and disburse prior to the lock expiration date of your loan you must contact your loan officer to review your options for extending your rate lock agreement. All extension requests must be received by GTE Financial prior to 4 p.m. on your lock expiration date. An extension fee of \$250 will be collected and the lock expiration date will be increased by 15 days. The extension fee is non-refundable and is not credited at closing.

### **What if my lock expires?**

Rate locks that have expired are allowed to relock the loan rate subject to the higher of the current market rates or the terms of the previous rate lock. Since mortgage rate locks are offered as a convenience and a service to our membership and result in financial risks to the credit union, the terms of your original rate lock cannot be improved upon in the event market rates decrease, but can only worsen in the event market rates increase. Your loan may also be subject to a relock fee. Contact your loan officer or the credit unions lock desk for a more detailed explanation of the risks associated with locking your mortgage rate.

**What If I request changes after I locked my loan?**

Once you have locked your loan you may incur additional costs if you change loan program or make significant changes to the structure of your loan. GTE Financial will work closely with you to advise you of your pricing options and attempt to minimize any additional costs.

**How do I lock my loans rate or request changes to an existing lock?**

To request an initial rate lock, rate lock extension, or changes to your current rate lock contact the GTE Loan Processor assigned to assist you with your application. Your GTE Loan Processor is your primary source for all inquiries or questions about rate lock options and loan programs. You may also reach out to GTE's Rate Lock Desk with any inquiries at 813-871-2690 extension 41562.