

Lender:

# NEW YORK INTEREST RATE LOCK AGREEMENT

Date:

Loan No:

Borrower:

Lender: AFG Mortgage

Property Address:

This disclosure is provided to you pursuant to New York law (N.Y. Comp. Codes R. & Regs. tit. 3, §§ 38.4.

**TYPE OF MORTGAGE:**

**Purchase** \_\_\_\_\_ **Refinance** \_\_\_\_\_  
**Fixed Rate** \_\_\_\_\_ **Adjustable** \_\_\_\_\_

We are pleased to advise you that your application for a mortgage loan on the above-captioned property has been approved subject to the following terms and conditions:

**1. LOAN AMOUNT: \$** \_\_\_\_\_ **TERM:** \_\_\_\_\_ **years**

[INSTRUCTION: Check only if applicable.]

\_\_\_\_ Your loan has a balloon payment.

**2. INTEREST RATE:** \_\_\_\_\_ (If this is an adjustable rate mortgage, this is your initial interest rate.)

**ADJUSTABLE RATE MORTGAGES ONLY:**

Adjustment period: \_\_\_\_\_ Caps: per adjustment \_\_\_\_\_ Lifetime \_\_\_\_\_  
Negative Amortization: \_\_\_\_\_ Yes \_\_\_\_\_ No  
Margin: \_\_\_\_\_ Index: \_\_\_\_\_ Index Source: \_\_\_\_\_

**3a. ORIGINATION FEE:** The origination fee is \$ \_\_\_\_\_ ( \_\_\_\_\_ % of the loan amount).

**3b. DISCOUNT POINTS:** The discount points are \$ \_\_\_\_\_ ( \_\_\_\_\_ % of the loan amount).

**4. TOTAL POINTS:** \_\_\_\_\_ %. These points are to be paid by \_\_\_\_\_ (date)

**5. COMMITMENT FEE:** The commitment fee is \$ \_\_\_\_\_ ( \_\_\_\_\_ % of the loan amount). This fee \_\_\_\_\_ is \_\_\_\_\_ is not included in the Origination Fee or Discount Points or the Total Points stated above.

**6. MONTHLY PAYMENT OF PRINCIPAL AND INTEREST:** The monthly payment of principal and interest is \$ \_\_\_\_\_. (If this is an adjustable rate mortgage, this is your initial monthly payment of principal and interest.)

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**7. EXPIRATION DATE:**

The above rate and points are guaranteed until \_\_\_\_\_ which is the expiration date of this commitment. If your loan does not close by this date, we have no obligation to honor the terms of this agreement.

**[INSTRUCTION – The following is optional and should be used if the Lender’s business practice is to require that actual funding occur before the expiration date of the commitment.]**

If this loan is for the refinance of your primary residence you will not receive the loan proceeds on the date of your closing. Therefore, your loan must close at least (3) three business days prior to the expiration date stated above or the Lender has no obligation to honor the terms of this agreement and this may result in a higher rate or more points being charged on your loan.”

**8. MORTGAGE BROKER FEE:**

As compensation for its services, your Mortgage Broker will be paid as checked below:

\_\_\_\_\_ We will pay your mortgage broker a fee of \_\_\_\_\_% of the loan amount or \$ \_\_\_\_\_. The compensation your mortgage broker will receive from us for its services is included in the rate, points, fees and terms of the loan as quoted by us in this commitment. The maximum points paid, including any premium pricing payable by us to your mortgage broker shall not exceed \_\_\_\_\_ ( ) points. The basis for the premium pricing payment, if any, is \_\_\_\_\_.

\_\_\_\_\_ You will pay your mortgage broker, upon your signed acceptance of this commitment \_\_\_\_\_ or at closing \_\_\_\_\_, a fee of \_\_\_\_\_% of the loan amount or \$ \_\_\_\_\_.

**[INSTRUCTION: If you offer a bonus to the mortgage broker, you must give the borrower a description of this bonus as soon as you know what it will be. Do not confuse this bonus with premium pricing. Check only as applicable.]**

\_\_\_\_\_ Your mortgage broker \_\_\_\_\_ is \_\_\_\_\_ may be eligible to receive a lender-paid bonus (cash or non-cash). The basis for such lender-paid bonus, if any, is \_\_\_\_\_.

( ) This bonus consists of \_\_\_\_\_

( ) You will be notified if this occurs.

**9. MORTGAGE BROKER FEE ACKNOWLEDGEMENT:**

You acknowledge that a mortgage broker fee will be paid to your mortgage broker. You further acknowledge that there is no other mortgage broker fee agreement between you and your mortgage broker.

**10. HAZARD INSURANCE:** Prior to closing, you shall furnish this office with an original hazard insurance policy or a binder agreement satisfactory to us. Hazard Insurance coverage must be for \$ \_\_\_\_\_ or contain a “Guaranteed Home Replacement Cost Endorsement”, whichever is lower. We cannot require you to obtain a policy which exceeds the guaranteed replacement cost of the improvements securing the loan.

**11. FLOOD INSURANCE: [INSTRUCTION: Check only if applicable.]**

\_\_\_\_\_ Flood insurance will be required as a condition of this loan.

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12. **PRIVATE MORTGAGE INSURANCE (“PMI”):** PMI \_\_\_\_ Is \_\_\_\_ Is not required as a condition of making this loan.

**[INSTRUCTION: If Private Mortgage Insurance is required, state the condition(s) under which such insurance would no longer be required.]**

13. **REAL ESTATE TAX AND HAZARD INSURANCE ESCROWS:**

**[INSTRUCTION: Check only if applicable.]**

\_\_\_\_ At closing, an escrow impound account will be established and an initial escrow deposit will be required in accordance with RESPA.

14. **ASSUMPTION:** Someone buying your house:

\_\_\_\_ MAY NOT ASSUME YOUR LOAN.

\_\_\_\_ MAY ASSUME YOUR LOAN UNDER THE FOLLOWING CONDITIONS:

15. **NO ORAL MODIFICATION:** This agreement cannot be changed orally.

16. **REFUNDABILITY:**

Your Commitment Fee and/or points are non-refundable, except for the following conditions:

- A) If this commitment is conditioned on the approval of a third-party investor or mortgage insurance company and that party rejects the loan.
- B) If this commitment is conditioned upon the property appraisal report and said report is not favorable for the loan for which the commitment was issued.
- C) If this commitment is conditioned upon an initial credit report and said report is not favorable for the loan for which the commitment was issued.

17. **DOCUMENTATION:**

The following is a list of information and conditions that we may require you to produce and/or satisfy prior to closing your loan:

**[INSTRUCTION: If the mortgage loan is related to a one to four owner occupied dwelling or a condominium you must use this paragraph.]**

Title report and insurance, property survey, copy of Certificate of Occupancy for use, satisfactory final inspection (if new construction), evidence of appropriate hazard insurance, evidence of flood insurance as appropriate, master policy insurance certificate (if applicable in the case of condominiums), termite inspection report, radon test, well water test report and septic inspection report.

**[INSTRUCTION - If the mortgage loan is related to a cooperative housing unit, you must use this paragraph.]**

\_\_\_\_  
Proprietary lease, recognition agreement, pledge of shares of stock, warranty and representation that

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no outstanding claims against the proprietary lease or stock will exist at closing and a copy of certificate of occupancy and title policy for the entire building if conversion has occurred within the last six (6) months.

**18. OTHER CONDITIONS:**

[INSTRUCTION: *If there are other conditions to the commitment they can be included in the body of the commitment or on an attached rider.*]

**19. PREPAYMENT PENALTY:**

[INSTRUCTION: *Complete this item only if the mortgage product contains a prepayment penalty.*] This mortgage contains a prepayment penalty. The amount of, or the formula for calculating, the prepayment penalty is \_\_\_\_\_. The terms of the prepayment are \_\_\_\_\_.

**20. ACCEPTANCE OF COMMITMENT:**

[INSTRUCTION: *The Commitment must be irrevocable for at least seven calendar days from the date of commitment or the date of mailing, whichever is later.*]

Please indicate your acceptance of this Commitment by signing it and returning it to us with the Commitment Fee of \$\_\_\_\_\_ by \_\_\_\_\_.  
(date)

**BY** \_\_\_\_\_ **DATE:** \_\_\_\_\_  
(Lender's Signature)

If you sign this commitment, and you do not close this loan in accordance with the described terms, you may lose some or all of the fees or charges you have paid.

I/We hereby accept this Lock-In Agreement and Commitment and all conditions set forth therein and agree to proceed with the closing of the loan. I/We have received a duplicate original of this document.

_____	_____
Date	Borrower
_____	_____
Date	Borrower
_____	_____
Date	Borrower
_____	_____
Date	Borrower