

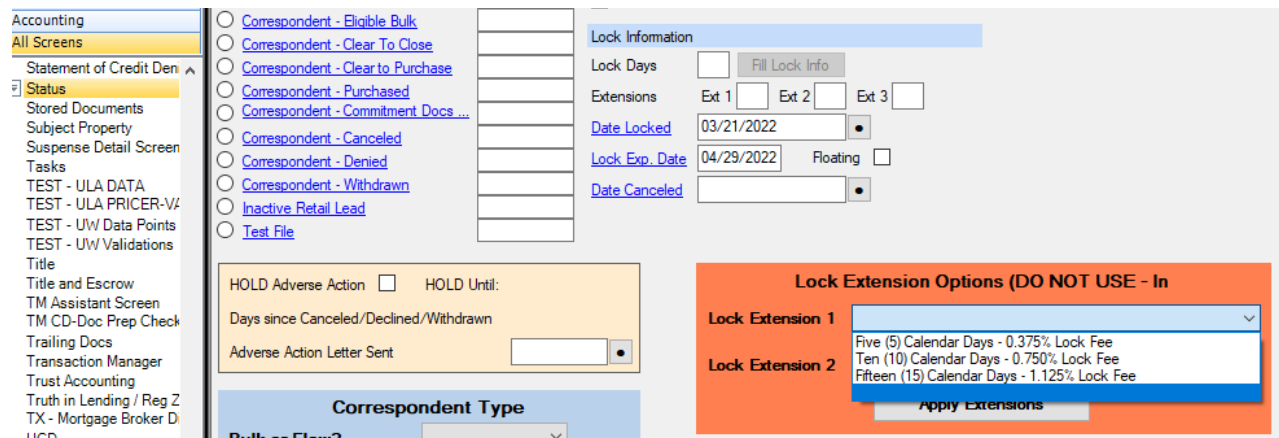
Non-Prime Lock Extension Process

Effective 03/24/22

Acra Lending has updated its lock extension policy. **Extension requests will shift to “Fee Based” requests.** Fee Based extensions can only be applied to loans that are eligible under the 02/03/22 45 Day Lock Policy roll out.

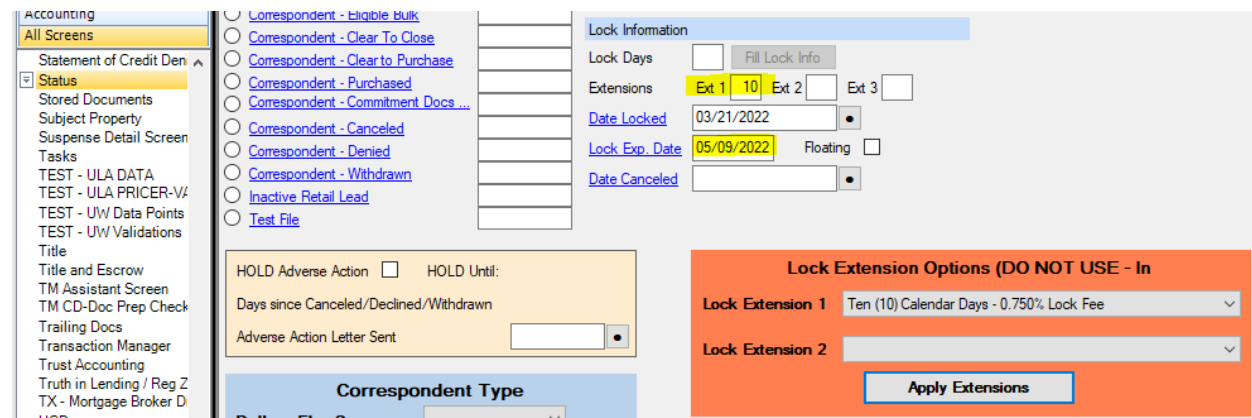
Applying an Extension:

1. Broker or Retail LO must submit a Non-Prime Lock Extension Request detailing the lock extension details.
2. TM or Processor should upload the Non-Prime Lock Extension Request to Doc Velocity as “Lock Extension Request”
3. TM or Processor: Navigate to the Status screen
4. Select the appropriate extension option from the relevant Lock Extension dropdown.



5. Press the “Apply Extension” button located below the dropdowns

NOTE: Once you Apply Extension, you should NOT remove or alter the request. Escalate to Operations Management/QC if there was an error in selection. TMs should never extend lock expiration dates at their discretion. Any manual extensions or exceptions should be escalated to TM Lead/OPS Management for further direction.



Automated processes once a user has triggered the “Apply Extension” button:

- Applies the appropriate **Extension Days**
(Calculation is 45 days from “Submitted Date” plus the extension request)
- Updates the **Lock Expiration Date**
- Auto Adds an entry to the **Conversation Log**

Lock extension of Ten (10) Calendar Days - 0.750% Lock Fee and were selected. New Lock Expiration Date is Mon May 9 00:00:00 PDT 2022
New Fee amount is 0.75

- **TRID LOANS:** Creates the appropriate CIC task
 - If CD exists, create “UW – CD Sent – Change In Circumstance Request” task
 - If LE exists, create “RE-Disclosure Draw Task (Changed Circumstances)” task
- Updates the field CSC Percentage on the ULA Screen

CSC Percentage	0.750	0.75
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- Updates the Loan Discount points on LE/CD pg

NOTE: The discount fee for the lock extension fee will be ADDED to any prior UW Discount Fees already applied to the loan.


802	Loan Discount Points	0.750	to	Acra Lending			5,805.00	B		S
805	Administration Fee		to	Acra Lending				B		S

TM should email the Disclosure Processor or CD Doc Drawer when the Re-Disclosure or CIC CD task are created. There will NOT be an updated Approval or Underwriting Worksheet uploaded to DV by the TM when processing extension fees. The CIC will be documented on the conversation log.

03/23/2022 11:01 AM LOCK EXTENSION Lock extension of Fifteen (15) Calendar Days - 1.125% Lock Fee and were selected. New Lock Expiration Date is Tue Apr 5 00:00:00 PDT 2022
New Fee amount is 1.125

EXAMPLE TASK EMAIL:

LOCK EXTENSION - 7039779 - Ramos; Task: Re- Disclosure Draw Task (Changed Circ...



Trudy Barton

To

✓ Ian Tillis;

✓ Jorge Martin

Cc

● Jeremy Abbott;


✓ Tom Esposito;

✓ Trudy Barton

↩ Reply

↩ Reply All

→ Forward



...

Wed 3/23/2022 11:09 AM

File name: 7039779

Notes TM DEPARTMENT PROCESSED LOCK EXTENSION.

03/23/2022 11:01 AM

LOCK EXTENSION

Lock extension of Fifteen (15) Calendar Days - 1.125% Lock Fee and were selected. New Lock Expiration Date is Tue Apr 5 00:00:00 PDT 2022
New Fee amount is 1.125

2
V2022.24.03

IMPORTANT: Prior to an UW processing any FEE EXTENSION requests, please review the CONVERSATION LOG. If a TM or Processor has already processed the lock extension, the UW should not manually apply the Fee Extension. **As identified above, the CSC Percentage will auto add the Lock Extension Fee however, the UW needs to PRICE LOAN for the “Loan Extension Fee” to populate on the ULA Screen and UW Worksheet.**

Price Loan

CSC Add-On Fee		0.750
Lender Paid	0.000	
Retail		0.000
Buydown		
Lock Extension		0.375
Buyup		0.000
Add Ons Sum	0.250	
Final	5.000	0.750

RATE BUYUP

In the event a broker chooses to “Buy Up” the rate to offset the extension fee, **the broker must submit a Re-Work Request** form to be processed by Underwriting. The TM or Processor would apply the FEE EXTENSION request, then task the file to the UW to re-work the BuyUp.

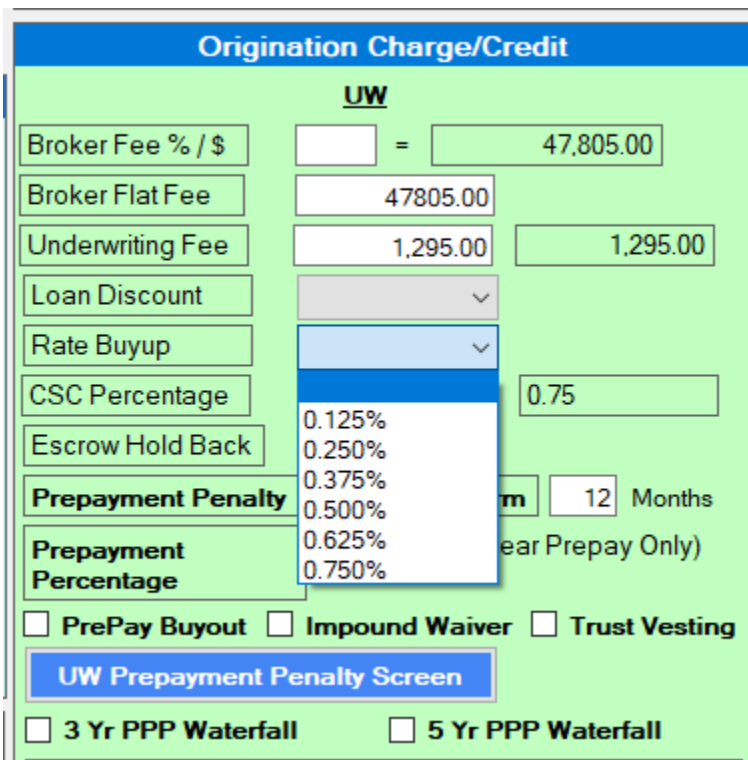
Rate Buyups are processed on a 3:1 basis. The “Lender Credit” applied from the rate buyup cannot exceed the lock extension fee.

ULA SCREEN

Offsetting Fees with a Rate Buyup:

1. Navigate to the ULA Screen
2. Locate the Rate Buyup dropdown in the **Origination Charge/Credit** section of the ULA
3. Select the appropriate rate buyup from the dropdown
4. Re-run pricing on the loan

NOTE: BuyUp is limited to cover cost of extension fees.



The screenshot displays the 'Origination Charge/Credit' section of the ULA screen. It features a table-like structure with fields for various fees and a dropdown menu for 'Rate Buyup'. The 'Rate Buyup' dropdown is currently open, showing options from 0.125% to 0.750%. Other fields include 'Broker Fee % / \$', 'Broker Flat Fee', 'Underwriting Fee', 'Loan Discount', 'CSC Percentage', 'Escrow Hold Back', 'Prepayment Penalty', 'Prepayment Percentage', 'PrePay Buyout', 'Impound Waiver', 'Trust Vesting', 'UW Prepayment Penalty Screen', '3 Yr PPP Waterfall', and '5 Yr PPP Waterfall'.

Origination Charge/Credit		
UW		
Broker Fee % / \$	=	47,805.00
Broker Flat Fee		47,805.00
Underwriting Fee		1,295.00
Loan Discount		
Rate Buyup		
CSC Percentage		0.75
Escrow Hold Back		
Prepayment Penalty		12 Months
Prepayment Percentage		(Year Prepay Only)
<input type="checkbox"/> PrePay Buyout <input type="checkbox"/> Impound Waiver <input type="checkbox"/> Trust Vesting		
<input type="button" value="UW Prepayment Penalty Screen"/>		
<input type="checkbox"/> 3 Yr PPP Waterfall <input type="checkbox"/> 5 Yr PPP Waterfall		

Note: When a Rate Buyup option is selected, the Lender Credit % will automatically be updated appropriately. Also, there is a validation in place to ensure the Lender Credit from the Buyup doesn't exceed the Lock Extension Fee (see below).

Rate Buyup	0.375%	
CSC Percentage	1.125	1.125
Escrow Hold Back		
Prepayment Penalty	No	Term <input type="text"/> Months
Prepayment Percentage		(1 Year Prepay Only)
<input type="checkbox"/> PrePay Buyout <input type="checkbox"/> Impound Waiver <input type="checkbox"/> Trust Vesting		
<input type="button" value="UW Prepayment Penalty Screen"/>		
<input type="checkbox"/> 3 Yr PPP Waterfall <input type="checkbox"/> 5 Yr PPP Waterfall		
Is Lender Paid (Wholesale) / Lender Credit (Retail)? <input type="checkbox"/>		
Lender Paid %:	<input type="text"/>	Investor: NP
Lender Credit %	1.125	If this is a JP file, DO NOT enter information in the Lender Paid % or the Lender Credit % fields"

Validations:

Buyup Fee

If lender credit from Buyup Fee exceeds Lock Extension Fee the following Error (Hard-stop) will appear when attempting to print an Approval.

"Buyup Fee exceeds the Lock Extension Fee.

If you have any questions, please contact your manager."

HOW THE RATE BUYUP WORKS:

TM or Processor will apply the FEE Lock Extension request to capture the Discount Fee for the extension.

Lock Extension Options (DO NOT USE - In

Lock Extension 1 Ten (10) Calendar Days - 0.750% Lock Fee ▼

Lock Extension 2 ▼

[Apply Extensions](#)

A. Origination Charges							\$9,772
	PPFC	poc	To	Borrower	Seller/Lender	Good Faith	Estimate
Edit Loan Discount Points	1.125	<input checked="" type="checkbox"/>	L	2,460.94	<input type="text" value="S"/>	0.00	
Edit Administration Fee		<input type="checkbox"/>	L		<input type="text" value="S"/>	0.00	

File needs to be tasked to UW as a “Re-Work” and the “Re-Work” form should detail the BuyUp request. UW will process the re-work request to add the Rate BuyUp.

The rate Buyup would allow for a Lender Credit to be applied to offset the Lock Extension Discount Fee.

Rate Buyup ▼

CSC Percentage

Escrow Hold Back

Prepayment Penalty

Prepayment Percentage

0.125%

0.250%

0.375%

0.500%

0.625%


0.750%

J. TOTAL CLOSING COSTS				\$19,623
D+I (Total Loan Costs + Total Other Costs)				\$22,084
Lender Credits - Total	(\$2,461)	History		\$0
Lender Credits - Lump Sum	1.125 %	2,460.94		
Lender Credits - Itemized	\$0.00			

The ULA Screen (UW Worksheet) will list the BuyUp fee for reference.

Please note that the actual Discount Fee charged to the borrower is the FINAL FEE that will be displayed on the Underwriting Worksheet. The BuyUp will be shown as a “Lender Credit” to the borrower to offset the “Discount Fee”.

CSC Add-On Fee		1.125
Lender Paid	0.000	
Retail		0.000
Buydown		
Lock Extension		1.125
Buyup	0.375	-1.125
Add Ons Sum	0.375	
Final	4.875	1.125



Rate Buyups are processed on a 3:1 basis. The “Lender Credit” applied from the rate buyup cannot exceed the lock extension fee.

EXAMPLE:

RATE BUYUP	“LENDER CREDIT” TO OFFSET <u>TOTAL</u> EXTENSION FEES
.125	.375
.25	.75
.375	1.125
.50	1.50
.625	1.875
.75	2.25