



Long Term Lock

LONG TERM LOCK - DETAILS

- Lock periods- from 4 to 9 months
- Rate will be the Fannie / Freddie 90 day rate offered in OB.
- Flat fee will be charged and collect upfront at a rate of .375% per month of the loan amount requested at the time of the lock request
 - Due prior to lock acceptance
 - Nonrefundable
 - May be collected from Borrower, Seller* or Correspondent Client.
- Conventional only
- Construction Loans Only
- **Brokers must use GMFS Disclosure Desk** and compensation must be Borrower Paid

PROCESS FLOW

- TPO Client can request the lock via Optimal Blue under the conventional loan program with the “LTL” label attached to the program names This will hold the lock for 24 hours until client completes and remits to the lock desk and the disclosure desk (broker transactions) the required documents.
- **The Required Documents (see page 2) are required to be completed before the lock will be accepted. Email the lock desk with the required forms at time of lock request.**
- GMFS will process the payment, and update the system with the correct information on the fees collected, then accept the lock.
- On Broker Transactions the initial LE will be completed for GMFS OTC the construction team will complete the COC.
- If payment of the fee and/or completion of the documents is not done by close of business the following day (24 hours); the lock request will be cancelled and we will not honor the original lock request price.
- Disclosures should not include any upfront fees until after the lock is accepted by the lock desk.
 - For OTC loans, the COC will then go out with the new fee included after acceptance of the lock. See additional rules on OTC on page 2.
 - For non-OTC, the loan should be originally disclosed as floating, the fee added by Secondary, and then re-disclosed after the lock is accepted
- If credit card is used, UW must ensure the amount is added to the debts used on CR
- The Fee Details page will reflect if the Borrower or Seller pays the upfront fee. **If the Seller* pays the upfront fee it must be included in the purchase agreement.**
 - LTL fee is required to be included in the points and fees test.

Required Documents

- Intent to Proceed
 - Although this is needed in every file, it is noteworthy in this process document because you may not collect the Long Term Lock Fee until the intent to proceed is completed
- [Signed Long Term Lock Request Form](#)
- [Credit Card](#) or [ACH Authorization Form](#)

A fillable version of the Signed Long Term Lock Request Form and Credit Card/ ACH Authorization Form can be found on the gmfspartners.com site.

For **Broker** Transactions – the documents listed above must be emailed to the locks desk (lockdesk@gmfslending.com) and the disclosure desk (TPOdisclosing@GMFSlending.com) at the time of lock request.

For **Correspondent** Transactions –

- Long Term Lock Request Agreement Attestation - client will attest that they provided a long term lock agreement to the borrower and that they had a valid intent to proceed
- [Correspondent Long Term Lock Request Form](#)

Additional Information

One-Time-Close loans that are closed prior to requesting long-term lock

- Borrower will be required to pay the lock fee with an ACH from a bank account instead of a credit card. The LO will be required to source those funds at that time as well.
- On loans that have closed with the GMFS OTC team, please work directly with our Construction Team to manage process and disclosures related to the LTL process. (constructionhelpdesk@gmfslending.com)