

Lock/Registration Procedures

Correspondents may register loans at any time after a formal application has been received from a borrower. To register the loan, a correspondent must complete the registration process via the Franklin American Mortgage website under “Lock a Loan.”

Correspondents may elect to register loans with or without a rate lock prior to underwriting approval. The float option, which is available for all mortgage loan products, is designed for those correspondents who are willing to assume the risks of a floating interest rate. During the term of the float the correspondents may lock-in under a best efforts lock term.

Daily Cut-Off

Franklin American Mortgage will accept lock/registrations until 8:00 PM Central Monday-Friday.

Confirmation of Registration

Loans locked through the Franklin American Mortgage website will receive an immediate onscreen registration and/or price confirmation. Lenders should notify the Franklin American Mortgage pricing desk immediately if any discrepancies are noted.

Third-Party Pricing Vendors

Correspondents may choose to utilize the services of a third-party pricing vendor to display Franklin American Mortgage pricing. If such a service is used and an error occurs in the pricing relayed to the lender in which the third party vendor had any involvement or responsibility, Franklin American Mortgage is not liable for honoring the incorrect pricing, regardless of the timing in which the error is discovered. Lenders utilize third-party vendors at their own risk.

Subsequent Registration Revisions

Correspondents may elect to request a change to the loan product, loan amount, or other parameters of the original loan registration. To request a revision of the parameters of a registered loan, the correspondent must submit changes via the “Change Existing Loan” icon under the “Lock a Loan” tab on the Franklin American Mortgage website. All revised registrations are subject to the original expiration date.

Changes to a loan rate-locked with Franklin American Mortgage may generate price changes and/or a requirement to resubmit as a new loan with a new loan number.

Change in Property

If the correspondent changes the subject property for a registered loan (**float** or **lock** status), the change of property constitutes a new loan and must be re-registered and receive a new loan number.

Change in Products

If the correspondent changes the product for a registered loan (**float** or **lock** status), the loan will be subject to worst-case pricing (original locked buy-price versus current market pricing) for the new product, and the original lock expiration date will remain.

Loan Denials

If a loan is submitted to Franklin American Mortgage for an underwriting decision and receives a denial, the lock is cancelled and no longer valid. Such lock cancellations are effective on the date of loan denial. If such a decision is subsequently reversed based upon additional documentation or information submitted, the loan must be locked again and will be subject to a worst-case pricing calculation.

Lock Confirmation Does Not Represent Loan Approval

In no way should a pricing confirmation be construed as a loan approval. Franklin American Mortgage makes every attempt to screen for eligible loan parameters through the use of our online pricing functionality, but it is the lender's responsibility to review and comply with all product guidelines posted in those relevant chapters in our online lending manual.

Registration Cancellations

Once a loan is registered it becomes a part of Franklin American Mortgage's pipeline. As soon as it is determined that a registered loan will not close, the correspondent must cancel the loan by calling the Franklin American Mortgage pricing desk or by e-mailing the desk at secondary@franklinamerican.com. Correspondents are advised to register only those loans expected to close as cancellation/fallout ratios will be closely monitored.

Obligation of the Correspondent

Once a loan has been registered, the correspondent shall be obligated to sell said loan to Franklin American Mortgage. This mandatory delivery obligation shall apply only to closed loans; however, the correspondent agrees that it shall use all reasonable efforts to close each loan which has been registered.