



SIERRA PACIFIC
WHOLESALE

Department: Capital Markets

Announcement: Temporary Expansion of Rate Lock Extension Policy

Date: March 11, 2021

As a result of recent market volatility, effective March 12, 2021 Sierra Pacific Wholesale is implementing a temporary expansion of the rate lock extension policy for FNMA, FHLMC, FHA, VA and USDA loan programs. To qualify for the temporary expansion the current 16-day lock extension policy must be fully utilized.

Sierra Pacific currently offers extension periods of up to 16 days as noted below.

Current Policy

[Lock Extension Requirements/Eligibility](#)

- Available only on loans with an Approved status.
- Lock cannot be expired (NOTE: a lock is considered “expired” beginning at 7:01 PM, PT on the day the lock expires).

[Lock Extension Rules](#)

- **.025 (2.5 basis points) per day for a 1 – 3 day lock extension. Lock extensions greater than 3 days follow the schedule outlined in the following bullet points. A 1 - 3 day lock extension is not available if the extension will expire on a weekend or holiday.**
- .125 point (12.5 basis points) for 4 days.
- .25 point (25 basis points) for 8 days.
- .375 point (37.5 basis points) for 16 days.
- These fees are charged regardless of where current pricing is for the lock at that time. (Fees will be charged if current market is better or worse than lock price.)
- Extension Periods: The first day is calculated from the lock expiration date. Example: lock expires Aug. 2 a four-day extension would expire Aug. 6.
- Maximum Number/Length of Extensions:
 - A maximum of 16 days cumulative for an extension(s).
 - This maximum of 16 days can be from a combination of 4 and 8 day extensions or one 16 day extension.

Temporary Enhancement to Sierra’s Lock Extension Policy

- The temporary rate lock extension policy will allow for **one** additional extension for locks requiring an extension **after** the standard 16 day extension has been used.
- Fee of .025 per day will be the extension cost for extension requests from day 17-30.
- Only one additional extension request is allowed.

As is the case with Sierra’s current lock policy, loans that have been relocked or renegotiated are not eligible for extensions.