



Lifetime Rate Protection Guarantee

Optimum First Mortgage's Lifetime Rate Protection Guarantee allows for a no closing cost refinance, if rates should fall, after you complete a loan with us. This guarantee is good for the lifetime of the loan.

How it works:

The Optimum First Mortgage Lifetime Rate Protection Guarantee allows for a new refinance with absolutely no closing fees! All loan related costs or fees for the transaction will be absorbed by Optimum First Mortgage and will not be added to the loan. However, taxes, insurance, lender related payoff fees, interest and impound account setup will still remain the client's responsibility if needed. A deposit for the appraisal fee is required but will be refunded upon closing.

Qualifying:

To qualify for the guarantee you must:

1. Supply your signed Rate Protection Guarantee Certificate from your previous loan.
2. Be 180 days past your previous loan funding date.
3. Qualify for a refinance based on Freddie Mac conforming loan limit guidelines.
4. Have a loan amount equal to or greater than \$125k.
5. Subject property must be deemed owner occupied.

Calculation*:

The interest rate for the Lifetime Rate Protection Guarantee is calculated by taking the rate on the current Freddie Mac 30 or 15 year 90-day required net yield (RNY) rounded up to the nearest eighth of a percent (.125%), at the time of lock, plus (+) a margin based on the loan amount (please see below). The current Freddie Mac 30 or 15 year 90-day RNY can be found by visiting www.freddiemac.com.

Lifetime Rate Protection Guarantee Margin*

Loan Amount of New Mortgage	Margin*
\$0-\$124,999	Not Applicable (N/A)
\$125,000 - \$199,999	+0.875% (seven-eighths percent)
\$200,000 - \$299,999	+0.5% (one-half percent)
\$300,000 – Conforming Loan Limit	+0.375% (three-eighths percent)

Example:

If the 30 Year 90-day RNY is at 3.75% and the new mortgage amount is \$350,000 then the Rate Protection Guarantee rate would be 4.125% (3.75% (RNY) + 0.375% (margin) = 4.125% Rate Protection Guarantee Rate). (This is for example purposes only; the actual RNY can be more or less at the time of lock.)

* The final rate calculation and/or margin may be subject to adjustments due to loan to value percentage, fico scores, lock period and other factors that may be deemed higher risk by the lender. All final rate calculations can be sent to you in writing upon redemption of certificate. The Lifetime Rate Protection Guarantee will be treated as a mortgage loan refinance transaction and will be locked for 15 days. There is no guarantee that the loan, rate and pricing will be delivered within the lock period and the refinance is subject to lock extension costs and/or re-pricing.