



COLORADO

Department of
Regulatory Agencies

Division of Real Estate

Colorado Lock-in Disclosure Form

Pursuant to sections 12-10-725(2), C.R.S., and Board Rule 5.14

THIS FORM DESCRIBES HOW YOU MAY BE OFFERED A LOCK-IN. A LOCK-IN IS AN ARRANGEMENT IN WHICH AN INVESTOR/MORTGAGE LENDER RESERVES A TEASER RATE, PAYMENT RATE AND/OR INTEREST RATE DURING THE LOAN APPLICATION PROCESS FOR A SPECIFIC PERIOD OF TIME WHILE YOUR LOAN APPLICATION IS BEING REVIEWED AND UNDERWRITTEN. WHETHER YOUR LOAN WILL ACTUALLY BE APPROVED AND WILL CLOSE DURING THE TIME PERIOD DEPENDS ON A NUMBER OF CONDITIONS, SOME OF THEM BEYOND THE CONTROL OF YOUR MORTGAGE LOAN ORIGINATOR.

Borrower First Name

Borrower Last Name

Co-Borrower First Name

Co-Borrower Last Name

Property Address

City

State

Postal Zip Code

The following shall be completed, pursuant to § 12-10-725(2), C.R.S., and Board Rule 5.14

Interest Rate:

The interest rate your loan originator is offering you will be either an “Unlocked Rate” or a “Locked Rate”. A locked rate is an interest rate that is guaranteed to you by the lender for a period of time and cannot change. The interest rate disclosed to you on this form should match the interest rate provided to you on the Good Faith Estimate (GFE), the Initial Loan Application (1003), and the Truth in Lending (TIL) forms.

The Interest Rate being offered to you is: _____

Rate Lock Information:

The interest rate is either locked or not locked. If the interest rate is not locked, it can change up or down many times, even multiple times daily. If your interest rate is locked, it cannot raise or decline for a set period of time.

Interest Rate

Locked

Not Locked

Date Locked

Date Locked Rate Expires

There might be a Lock Fee associated with locking your interest rate.

Lock In Fee
(Yes or No)

How much is the Lock In Fee In a Dollar Amount

Is Lock In Fee Refundable?
(Yes or No)

Lock-in Extension:

Your interest rate lock guaranteeing a particular interest rate will expire at the end of the lock period indicated above under "Date Locked Rate Expires". If your loan has not closed prior to or on that date, you will need to extend that lock date for that interest rate prior to its expiration date to guarantee that rate for your loan. You should speak to your mortgage loan originator about this process. There may be a fee associated with this extension. Always ask your mortgage loan originator how much that fee is and who is responsible for paying that fee.

(The following fields are to be completed at time of any lock extension)

<u>Date lock extended</u>	<u>Date new lock expires</u>	<u>Cost to extend (Dollar amount)</u>	<u>Who is responsible to pay extension fee</u>
---------------------------	------------------------------	---	--

Loan Terms:

The loan term is how long that you will pay your guaranteed interest rate. That interest rate is "Fixed" for a set period. It could be fixed for the life of the loan or for a lesser period of time, often on what are called adjustable rate mortgages. If you have chosen or are being offered an Adjustable Rate Mortgage, also known as a Variable Rate Mortgage (ARM), your interest rate can go up or down after the "fixed period" of time. Refer to the Truth in Lending (TIL) disclosure provided to you by your mortgage loan originator to view possible **increases** in rate and payment after your initial fixed period in time and in order to view the **worst** case possible regarding the adjustment of your rate.

Loan term fixed for how many years

Type of Interest Rate:

The type of interest rate that you are being offered or have chosen may entail a payment that includes Principal and Interest (**PI**). This means that your loan balance will go down with each payment. A second option is for Interest Only (**IO**) loan terms. This means your loan amount will not decrease unless you pay extra money towards the balance of your loan. A final option includes a Negative Amortization (**NEG AM**) loan. This means that your loan balance will increase each month. Have your loan originator provide you with the maximum amount that your balance is allowed to increase before you will have to either refinance your loan or pay down the balance.

Type of Interest Rate

(Principal and interest (PI), interest only (IO) or negative Amortization (NA))

DO NOT SIGN THIS FORM UNLESS ALL BLOCKS ARE COMPLETED OR HAVE N/A. THIS FORM SHOULD HAVE BEEN COMPLETED, DATED AND SIGNED BY YOUR LOAN ORIGINATOR WITHIN 3 BUSINESS DAYS OF YOUR APPLICATION AND/OR OF YOUR LOCKED IN RATE AND/OR YOUR LOCK IN RATE EXTENSION AND/OR YOUR ANNUAL PERCENTAGE RATE (APR) CHANGING BY MORE THAN 1/8 PERCENT AS PROVIDED TO YOU ON YOUR TRUTH IN LENDING (TIL) DISCLOSURE.

<u>Loan Originator Name</u>	<u>Colorado License Number</u>	<u>NMLS Registration Number</u>
<u>Loan Originator Signature</u>	<u>Date Prepared</u>	
<u>Borrower Signature</u>	<u>Date Accepted</u>	
<u>Co-Borrower Signature</u>	<u>Date Accepted</u>	