

GREAT SOUTHERN MORTGAGE CORPORATION (*)
PRICE LOCK/FLOAT CONFIRMATION

INTEREST RATE INFORMATION: You have a choice of accepting the interest rate and discount points that are available at the time of application with a guarantee (lock-in) for a specified time period or flotation with the market and locking-in at a later date. In either case, it is your responsibility to decide when to lock-in. Great Southern Mortgage Corporation* will not make that decision for you.

Guaranteed Rate: At your option, GSMC will guarantee (lock-in) your interest rate and discount points at the time of application for a specific period of time. If you choose this option and your loan does not close by the lock-in expiration date for any reason, your interest rate and discount points will be renegotiated at the higher of the original guaranteed interest rate and discount points. If you wish to exercise this option, you must sign the following statement.

I (we) agree to lock-in my (our) interest rate at _____ % for a _____ with Discount Point(s) of _____ %+ Origination Fee of _____ % I/(we) understand that this lock-in will expire on _____ and that if my (our) loan has not closed and funds disbursed by this expiration date, my (our) rate and points will be renegotiated at the higher of the terms quoted in this statement or the then current interest rate and discount points.

_____ Your Lender is _____

Your loan has not been assigned to a specific Lender. You will be notified when a Lender has been selected.

Floating Rate: If you did not indicate above that you wish to guarantee (lock-in) your interest rate and discount points at the time of application, you will "float with the market." This means that the interest rate and discount points for your loan will not be guaranteed until you request in writing that you wish to lock-in. It will be totally your responsibility to monitor market rates and notify us as to when you wish to lock-in. Only a written request will be accepted. This lock-in interest rate and discount points will be the rate and points offered GSMC on the day your written request to lock-in is received in our office. I understand however, that I may do so at any time up to 10 business days prior to closing (provided my loan documents have not expired) at which time I will execute in writing, a new lock-in commitment with rate and discounts.

APPLICATION/LOCK-IN FEE: At the time of this application, GSMC collected/will collect a fee of \$455 for your appraisal, credit report and processing. This is a non-refundable fee. However, this fee will be credited towards loan costs if your loan closes. If you choose to withdraw your loan application the fee will not be refunded. If your loan is denied, you will be refunded any unused portion. If for any reason the loan I/we have applied for does not close, I/we agree to reimburse the Lender for any and all cost incurred to process my/our loan application including but not limited to credit, report, appraisal, survey, title insurance, and condominium document review (if applicable).

In addition to choosing an option above, I (we) agree to provide all necessary information to GSMC connected with the processing of my (our) mortgage loan application in a timely manner in order to meet the lock expiration date. Failure to provide such information could result in the loss of the lock-in and possibly a higher rate. When GSMC accepts your loan application, GSMC agrees to use its best efforts to process and approve your loan as quickly as possible. In doing so, GSMC will incur many direct expenses such as personnel salaries, postage, and telephone costs. When your loan closes, GSMC will be compensated for its work through the fees collected at closing. If you cancel your loan, GSMC will collect a fee to compensate for the work performed in processing your application. This fee will be: .50% of the requested loan amount if you cancel or transfer your application prior to loan approval and 1.0% of the requested loan amount if you cancel or transfer your application after loan approval.

MORTGAGE LOAN ORIGINATION AGREEMENT: You, the applicant (s) , agree to enter into this Mortgage Loan Origination Agreement with A Great Southern Mortgage Corporation as an independent contractor to apply for a residential mortgage loan from a participating lender with which we from time to time contract upon such terms and conditions as you may request or a lender may require. You inquired into mortgage financing with A Great Southern Mortgage Corporation on _____. We are licensed as a "Mortgage Broker" under North Carolina State Law..

SECTION 1. NATURE OF RELATIONSHIP. In connection with this mortgage loan we are acting as an independent contractor and not as your agent. We will enter into separate independent contractor agreements with various lenders. While we seek to assist you in meeting your financial needs, we do not distribute the products of all lenders or investors in the market and cannot guarantee the lowest price or best terms available in the market.

SECTION 2. OUR COMPENSATION. The lenders whose loan products we distribute generally provide their loan products to us at a wholesale rate. The retail price we offer you-- your interest rate, total points and fees-- will include our compensation. In some cases, we may be paid all of our compensation by either you or the lender. Alternatively, we may be paid a portion of our compensation by both you and the lender. For example, in some cases if you would rather pay a lower interest rate, you may pay higher up-fronts points and fees. Also, in some cases, if you would rather pay less up-front, you may be able to pay some or all of our compensation indirectly through a higher interest rate in which case we will be paid directly by the lender. We also may be paid by the lender based on (I) the value of the Mortgage Loan or related servicing rights in the market place or (II) other services, goods or facilities performed or provided by us to the lender.

Thank you for choosing GSMC for your home financing needs. Please sign below acknowledging receipt of a copy of this document:

BORROWER: _____ DATE: _____

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PROPERTY ADDRESS: _____

GSMC: _____ DATE: _____

LOAN AMOUNT: \$ _____ SALES PRICE (IF APPLICABLE): _____

ESCROW TAX INSURANCE AND HOMEOWNERS INSURANCE: YES: NO:

(*)Herein Referred to as GSMC