



**TO: Correspondent Lenders**  
**FROM: Angela Breidenbach, Operations Manager**  
**DATE: October 11, 2012**  
**RE: LP Open Access – Discontinued  
Renegotiation Policy Change**

**LP Open Access – Discontinued**

Effective immediately, Cornerstone Correspondent Lending Division will **no longer offer LP Open Access**, and this product will not be available through the pricing engine. Overlays have been updated to reflect this change and will be published to the web-site within the next 5 business days.

Cornerstone will continue to offer the DU Refi Plus product. Please remember that it is a non-delegated product, and all DU Refi Plus loans must be underwritten by Cornerstone.

**Renegotiation Policy Change**

Effective immediately, the following highlighted changes have been made to the Cornerstone Lock Renegotiation policy:

**216.00 Lock Renegotiation**

In cases where the market has improved, Cornerstone will allow lock renegotiation. Loans must meet the following criteria:

- Price (amount paid to correspondent lender) must be better by at least one full point.
- Must lower the borrower's rate by at least .125%.
- Loan needs to be within ~~40 days of closing~~ **14 calendar days of delivery to Cornerstone.**
- Renegotiated rate to borrower will be based on current 60 day price minus .25%; not to exceed current price to correspondent.
- **In the event a renegotiated loan is not delivered by lock expiration, price to correspondent lender will revert to the price connected with the new rate as of the date of the original lock.**
- Extension fees, and all other price adjustments, will still apply.

To further explain bullet point #5:

- loan initially locked at 3.5% to borrower and 102.000 to the correspondent lender
- at the time of the initial lock (above) price at 3.125% was 101.000
- renegotiated to 3.125% to the borrower and 102.500 to the correspondent lender
- correspondent lender unable to deliver loan by lock expiration
- rate to borrower remains at 3.125% but price to correspondent lender reverts to 101.000

**note: All numbers above are for example purposes only. They do not represent real quotes.**

A revised Correspondent Loan Policy Manual will be published to the correspondent web-site within the next 5 business days.

Please don't hesitate to contact us if you have questions regarding these, or any other issues. We can be reached as follows: [abreidenbach@houseloan.com](mailto:abreidenbach@houseloan.com) or (505)814-7784, [jposen@houseloan.com](mailto:jposen@houseloan.com) or (505)814-7788, [ncorlett@houseloan.com](mailto:ncorlett@houseloan.com) or (214)780-0770.

As always, your business is greatly appreciated!