

## DISCLOSURE OF SECONDARY FINANCING

I (We) acknowledge that I (we) have applied for **TWO loans** in order to complete the purchase of a home. BOTH of these loans will be recorded against the title records of my (our) property. I (We) may be required to make regular monthly payments on **BOTH loans**. If monthly payments are required on the second mortgage, these payments WILL be made to a different lender than the first mortgage.

The first mortgage will be issued by: Test Seller

The second mortgage will be issued by: CBC MORTGAGE AGENCY

The amount of the second mortgage will be \$8,750.00.

The second mortgage interest rate will be 7.000%.

The second mortgage for down payment may be forgiven after I make 36 consecutive on-time payments (3 years) on my first mortgage.

I (We) will be required to make regular monthly payments on the second mortgage estimated in the amount of \$101.60 for a total of 10 years.

I (We) understand the above and agree to the terms disclosed.

Date: \_\_\_\_\_

\_\_\_\_\_  
Average Joe

**ACKNOWLEDGMENT  
OF PRIOR RECEIPT  
OF "FACTA" DISCLOSURES AND NOTICE**

Date: July 6, 2018

Loan Number: 26111575

Borrower(s): Average Joe

Property Address: 123 GENERIC DRIVE, SPRINGTOWN, TEXAS 76082

Lender: Test Seller

Lender NMLS: 456123

The undersigned Borrower(s) have been advised that the Fair and Accurate Credit Transactions Act of 2003 ("FACTA") under subsection (g) requires as soon as reasonably practicable the disclosure of credit scores by a person who makes or arranges consumer loans (and who uses a consumer credit score) secured by 1 to 4 units of residential real property and requires such persons to give to the borrower a Notice to Home Loan Applicants.

The undersigned Borrower(s) hereby acknowledge that prior to closing of this loan, I/we have received a copy of our credit report in connection with this loan which included our credit scores and the name, address, and telephone number of each consumer reporting agency providing a credit score that was used, as well as the Notice to Home Loan Applicants.

Date: \_\_\_\_\_  
Average Joe

Test Seller  
 1234 Test Seller Address  
 Springtown, TX 76082

Save this Loan Estimate to compare with your Closing Disclosure.

## Loan Estimate

**DATE ISSUED** 7/6/2018  
**APPLICANTS** Average Joe  
 678 Generic Drive  
 Springtown, TX 76082  
**PROPERTY** 123 Generic Drive,  
 Springtown, TX 76082  
**SALE PRICE** \$250,000

**LOAN TERM** 10 years  
**PURPOSE** Purchase  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  
 VA  \_\_\_\_\_  
**LOAN ID#** 26111575  
**RATE LOCK**  No  YES, until 10/4/2018 4:00pm MST

*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 10/4/2018 4:00pm MST*

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$8,750	NO
<b>Interest Rate</b>	7%	NO
<b>Monthly Principal &amp; Interest</b>	\$101.60	NO
<i>See Projected Payments below for your Estimated Total Monthly Payment</i>		
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		NO
<b>Balloon Payment</b>		NO

Projected Payments				
Payment Calculation	Years 1 - 10			
Principal & Interest	\$101.60			
Mortgage Insurance	+ 0			
Estimated Escrow <i>Amount can increase over time</i>	+ -			
<b>Estimated Total Monthly Payment</b>	<b>\$101.60</b>			
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	<table border="0"> <tr> <td>\$0 a month</td> <td> <b>This estimate includes</b>  <input type="checkbox"/> Property Taxes  <input type="checkbox"/> Homeowner's Insurance  <input type="checkbox"/> Other:         </td> <td><b>In escrow?</b></td> </tr> </table> <p><i>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</i></p>	\$0 a month	<b>This estimate includes</b> <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other:	<b>In escrow?</b>
\$0 a month	<b>This estimate includes</b> <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other:	<b>In escrow?</b>		

Costs at Closing	
<b>Estimated Closing Costs</b>	<b>\$47</b> Includes \$0 in Loan Costs + \$47 in Other Costs - \$0 in Lender Credits. See page 2 for details.
<b>Estimated Cash to Close</b>	<b>\$47</b> Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit [www.consumerfinance.gov/mortgage-estimate](http://www.consumerfinance.gov/mortgage-estimate) for general information and tools.

## Closing Cost Details

### Loan Costs

A. Origination Charges	\$0
------------------------	-----

B. Services You Cannot Shop For	\$0
---------------------------------	-----

C. Services You Can Shop For	\$0
------------------------------	-----

D. TOTAL LOAN COSTS (A+B+C)	\$0
-----------------------------	-----

### Other Costs

E. Taxes and Other Government Fees	\$0
Recording Fees and Other Taxes	
Transfer Taxes	

F. Prepays	\$47
Homeowner's Insurance Premium ( months)	
Mortgage Insurance Premium ( months)	
Prepaid Interest ( \$1.68 per day for 28 days @ 7.000%)	\$47
Property Taxes ( months)	

G. Initial Escrow Payment at Closing	\$0
Homeowner's Insurance per month for mo.	
Mortgage Insurance per month for mo.	
Property Taxes per month for mo.	

H. Other	\$0
----------	-----

I. TOTAL OTHER COSTS (E+F+G+H)	\$47
--------------------------------	------

J. TOTAL CLOSING COSTS	\$47
D + I	\$47
Lender Credits	-\$0

### Calculating Cash to Close

Total Closing Costs (J)	\$47
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$0
Deposit	\$0
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$47</b>

## Additional Information About This Loan

LENDER Test Seller  
NMLS/ TX LICENSE ID 456123  
LOAN OFFICER Johnathan Everyman  
NMLS/ TX LICENSE ID TEST9999  
EMAIL locks@testseller.com  
PHONE 214-555-8888

MORTGAGE BROKER  
NMLS/ TX LICENSE ID  
LOAN OFFICER  
NMLS/ TX LICENSE ID  
EMAIL  
PHONE

### Comparisons

Use these measures to compare this loan with other loans.

In 5 Years	<b>\$6,143</b>	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	<b>\$3,620</b>	Principal you will have paid off.
Annual Percentage Rate (APR)	<b>6.999%</b>	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	<b>39.865%</b>	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

### Other Considerations

#### Appraisal

We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

#### Assumption

If you sell or transfer this property to another person, we

- will allow, under certain conditions, this person to assume this loan on the original terms.  
 will not allow assumption of this loan on the original terms.

#### Homeowner's Insurance

This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.

#### Late Payment

If your payment is more than 10 days late, we will charge a late fee of 5% of the monthly principal and interest payment.

#### Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

#### Servicing

We intend

- to service your loan. If so, you will make your payments to us.  
 to transfer servicing of your loan.

### Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

\_\_\_\_\_  
Average Joe      Date

## Additional Details for Services You Can Shop For

---

To get you started with shopping, this list identifies some providers for the services you can shop for (see Section C on page 2 of your Loan Estimate).

### Service Provider List

You can select these providers or shop for your own providers.

Service	Estimate	Provider We Identified	Contact Information
---------	----------	------------------------	---------------------

Lender does not represent, warrant or endorse the above named Provider(s) in any way and Lender and its successors and assigns expressly disclaim any liability to any person or entity with respect to the selection of any Provider listed above.

APPLICANTS: Average Joe

DATE ISSUED:  
7/6/2018

LOAN ID #: 26111575

---

Date: July 6, 2018  
Loan Number: 26111575  
Borrower: Joe

**Notice of Intent to Proceed  
With Loan Application**  
(12 C.F.R. Part 1026.19(e)(2)(i)(A))

Loan Estimate Date Issued : 7/6/2018

Applicant Borrower(s): Average Joe

Creditor: Test Seller  
Creditor Organization Identifier (NMLS): 456123

Loan Originator: Johnathan Everyman  
Loan Originator Identifier (NMLS) : TEST9999

Property Address: 123 GENERIC DRIVE, SPRINGTOWN, TEXAS 76082

You have applied for a mortgage loan and acknowledge having received a Loan Estimate (LE) issued and dated the same date as this disclosure. You have reviewed your Loan Estimate (LE) and further acknowledge that the only fee or charge that has been required up until this date was a fee for obtaining a credit report.

**NOTICE:** You are NOT obligated to accept this loan simply because you have signed this document nor is this document a mortgage loan commitment or approval.

**NOTE: DO NOT SIGN THIS DOCUMENT UNLESS YOU WISH TO PROCEED WITH THE LOAN APPLICATION COVERED BY THIS LOAN ESTIMATE (LE). IF YOU DO WISH TO PROCEED, PLEASE RETURN A COPY OF THIS NOTICE OF INTENT TO PROCEED WITH LOAN APPLICATION (SIGNED AND DATED) TO THE LOAN ORIGINATOR.**

Each of the undersigned applicant borrower(s) hereby expresses his/her Intent to Proceed with the loan application covered by the Loan Estimate (LE).

Date: \_\_\_\_\_  
Average Joe

Date: July 6, 2018  
Loan Number: 26111575  
Borrower: Joe

## Texas Mortgage Banker Disclosure

Borrower(s): Average Joe

Property Address: 123 GENERIC DRIVE, SPRINGTOWN, TEXAS 76082

**Residential Mortgage Loan Originator: Johnathan Everyman**

**NMLS ID: TEST9999**

Pursuant to the requirements of Section 157.0021 of the Mortgage Banker Registration and Residential Mortgage Loan Originator License Act, Chapter 157, Texas Finance Code, you are hereby notified of the following:

**CONSUMERS WISHING TO FILE A COMPLAINT AGAINST A MORTGAGE BANKER OR A LICENSED MORTGAGE BANKER RESIDENTIAL MORTGAGE LOAN ORIGINATOR SHOULD COMPLETE AND SEND A COMPLAINT FORM TO THE TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING, 2601 NORTH LAMAR, SUITE 201, AUSTIN, TEXAS 78705. COMPLAINT FORMS AND INSTRUCTIONS MAY BE OBTAINED FROM THE DEPARTMENT'S WEBSITE AT [WWW.SML.TEXAS.GOV](http://WWW.SML.TEXAS.GOV). A TOLL-FREE CONSUMER HOTLINE IS AVAILABLE AT 1-877-276-5550.**

**THE DEPARTMENT MAINTAINS A RECOVERY FUND TO MAKE PAYMENTS OF CERTAIN ACTUAL OUT OF POCKET DAMAGES SUSTAINED BY BORROWERS CAUSED BY ACTS OF LICENSED MORTGAGE BANKER RESIDENTIAL MORTGAGE LOAN ORIGINATORS. A WRITTEN APPLICATION FOR REIMBURSEMENT FROM THE RECOVERY FUND MUST BE FILED WITH AND INVESTIGATED BY THE DEPARTMENT PRIOR TO THE PAYMENT OF A CLAIM. FOR MORE INFORMATION ABOUT THE RECOVERY FUND, PLEASE CONSULT THE DEPARTMENT'S WEB SITE AT [WWW.SML.TEXAS.GOV](http://WWW.SML.TEXAS.GOV).**

THIS DISCLOSURE WAS DELIVERED TO THE CONSUMER:

- FAX SERVICE
- EMAIL SERVICE
- FACE-TO-FACE MEETING
- OTHER:

DATE DELIVERY INITIATED: July 6, 2018

Undersigned applicant(s) acknowledge receipt of a copy of this signed Texas Mortgage Banker Disclosure.

\_\_\_\_\_ Date: \_\_\_\_\_  
Average Joe

Date: July 6, 2018  
Borrower: Joe  
Loan Number: 26111575

**Texas**  
**Notice of Right to Choose Insurer**  
(Tex. Ins. Code sec. 549.052)

You have applied for a mortgage loan which will result in a lien against your property. We, the Lender, will require that insurance covering your property be maintained throughout the term of your loan.

You may purchase or renew insurance from an agent, insurer or other person of your choice, provided the insurance company meets our standard requirements, uniformly applied, including but not limited to the financial soundness and services of the insurer. Such standards shall not discriminate against any particular type of agent, insurer or other person, nor shall such standards call for the rejection of a policy because it contains coverage in addition to that required in the credit transaction.

The insurance must be in place at the time your loan closes through an existing policy or through a policy to be obtained and paid for by you. Obtaining an insurance policy through any particular agent, insurer, or other person will not affect our credit decision or credit terms offered to you, in any way.

By signing below, I/we acknowledge receiving a copy of this Texas Notice of Right to Choose Insurer.

Date: \_\_\_\_\_  
Average Joe