

# Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information		Transaction Information		Loan Information	
<b>Date Issued</b>	8/20/2020	<b>Borrower</b>	John Johnson	<b>Loan Term</b>	10 years
<b>Closing Date</b>	8/24/2020		5504 Hall St	<b>Purpose</b>	Purchase
<b>Disbursement Date</b>	8/24/2020		Alexandria, LA 71303	<b>Product</b>	Fixed Rate
<b>Settlement Agent</b>	PHP Title Company	<b>Seller</b>	Caroline Herschel	<b>Loan Type</b>	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
<b>File #</b>			4709 Shadowmar Drive		<input type="checkbox"/> VA <input type="checkbox"/> _____
<b>Property</b>	111 Clubhouse Drive		Kenner, LA 70062	<b>Loan ID #</b>	5000198
	Woodworth, LA 71485	<b>Lender</b>	CBC Mortgage Agency	<b>MIC #</b>	
<b>Sale Price</b>	\$244,900				

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$8,572	<b>NO</b>
<b>Interest Rate</b>	6.5%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$97.33	<b>NO</b>
	<b>Does the loan have these features?</b>	
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments		
Payment Calculation	Years 1-10	
Principal & Interest		\$97.33
Mortgage Insurance	+	0.00
Estimated Escrow <i>Amount can increase over time</i>	+	0.00
<b>Estimated Total Monthly Payment</b>		<b>\$97.33</b>

<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See page 4 for details</i>	\$0.00 a month	<b>This estimate includes</b> <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>	<b>In escrow?</b>
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Costs at Closing		
<b>Closing Costs</b>	\$12.21	Includes \$0.00 in Loan Costs + \$12.21 in Other Costs – \$0.00 in Lender Credits. See page 2 for details.
<b>Cash to Close</b>	– \$8,559.79	Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

# Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>A. Origination Charges</b>					
01 % of Loan Amount (Points)					
02					
03					
04					
05					
06					
07					
08					
<b>B. Services Borrower Did Not Shop For</b>					
01					
02					
03					
04					
05					
06					
07					
08					
09					
10					
<b>C. Services Borrower Did Shop For</b>					
01					
02					
03					
04					
05					
06					
07					
08					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>					
Loan Costs Subtotals (A + B + C)					
<b>Other Costs</b>					
<b>E. Taxes and Other Government Fees</b>					
01 Recording Fees	Deed:	Mortgage:			
02					
<b>F. Prepays</b>					
			\$12.21		
01 Homeowner's Insurance Premium ( mo.)					
02 Mortgage Insurance Premium ( mo.)					
03 Prepaid Interest (\$1.5265 per day from 8/24/2020 to 9/1/2020)			\$12.21		
04 Property Taxes ( mo.)					
05					
<b>G. Initial Escrow Payment at Closing</b>					
01 Homeowner's Insurance	per month for	mo.			
02 Mortgage Insurance	per month for	mo.			
03 Property Taxes	per month for	mo.			
04					
05					
06					
07					
08 Aggregate Adjustment					
<b>H. Other</b>					
01					
02					
03					
04					
05					
06					
07					
08					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>					
			\$12.21		
Other Costs Subtotals (E + F + G + H)			\$12.21		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>					
			\$12.21		
Closing Costs Subtotals (D + I)			\$12.21		
Lender Credits					

## Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$0	\$12.21	<b>YES</b> • See Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$0	<b>NO</b>
Closing Costs Financed (Paid from your Loan Amount)	\$0	– \$12.21	<b>YES</b> • You increased the Closing Costs in the Loan Amount, which increased the Loan Amount
Down Payment/Funds from Borrower	\$0	\$0	<b>NO</b>
Deposit	\$0	\$0	<b>NO</b>
Funds for Borrower	\$0	– \$8,559.79	<b>YES</b> • Your available funds from the Loan Amount have increased
Seller Credits	\$0	\$0	<b>NO</b>
Adjustments and Other Credits	\$0	\$0	<b>NO</b>
<b>Cash to Close</b>	<b>\$0</b>	<b>– \$8,559.79</b>	

## Summaries of Transactions

Use this table to see a summary of your transaction.

### BORROWER'S TRANSACTION

<b>K. Due from Borrower at Closing</b>	<b>\$12.21</b>
01 Sale Price of Property	
02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$12.21
04	
<b>Adjustments</b>	
05	
06	
07	
<b>Adjustments for Items Paid by Seller in Advance</b>	
08 City/Town Taxes	to
09 County Taxes	to
10 Assessments	to
11	
12	
13	
14	
15	
<b>L. Paid Already by or on Behalf of Borrower at Closing</b>	<b>\$8,572.00</b>
01 Deposit	
02 Loan Amount	\$8,572.00
03 Existing Loan(s) Assumed or Taken Subject to	
04	
05 Seller Credit	
<b>Other Credits</b>	
06	
07	
<b>Adjustments</b>	
08	
09	
10	
11	
<b>Adjustments for Items Unpaid by Seller</b>	
12 City/Town Taxes	to
13 County Taxes	to
14 Assessments	to
15	
16	
17	
<b>CALCULATION</b>	
Total Due from Borrower at Closing (K)	\$12.21
Total Paid Already by or on Behalf of Borrower at Closing (L)	– \$8,572.00
<b>Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	<b>\$8,559.79</b>

### SELLER'S TRANSACTION

<b>M. Due to Seller at Closing</b>	
01 Sale Price of Property	
02 Sale Price of Any Personal Property Included in Sale	
03	
04	
05	
06	
07	
08	
<b>Adjustments for Items Paid by Seller in Advance</b>	
09 City/Town Taxes	to
10 County Taxes	to
11 Assessments	to
12	
13	
14	
15	
16	
<b>N. Due from Seller at Closing</b>	
01 Excess Deposit	
02 Closing Costs Paid at Closing (J)	
03 Existing Loan(s) Assumed or Taken Subject to	
04 Payoff of First Mortgage Loan	
05 Payoff of Second Mortgage Loan	
06	
07	
08 Seller Credit	
09	
10	
11	
12	
13	
<b>Adjustments for Items Unpaid by Seller</b>	
14 City/Town Taxes	to
15 County Taxes	to
16 Assessments	to
17	
18	
19	
<b>CALCULATION</b>	
Total Due to Seller at Closing (M)	
Total Due from Seller at Closing (N)	
<b>Cash</b> <input type="checkbox"/> From <input type="checkbox"/> To Seller	

## Additional Information About This Loan

### Loan Disclosures

#### Assumption

If you sell or transfer this property to another person, your lender

- 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.

#### Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.  
 does not have a demand feature.

#### Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment, but not more than U.S. \$N/A, or less than U.S. \$N/A.

#### Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.  
 may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.  
 do not have a negative amortization feature.

#### Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.  
 may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.  
 does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

#### Security Interest

You are granting a security interest in

111 Clubhouse Drive, Woodworth, LA 71485

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

#### Escrow Account

**For now,** your loan

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs:  You may have other property costs.
Initial Escrow Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment		The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

#### In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

## Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$11,692.40
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$3,120.40
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$8,559.79
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	6.5%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	36.402%



**Questions?** If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/mortgage-closing](http://www.consumerfinance.gov/mortgage-closing)

## Other Disclosures

### Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

### Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

### Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,  
 state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.  
 state law does not protect you from liability for the unpaid balance.

### 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.

### Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

## Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
<b>Name</b>	CBC Mortgage Agency				PHP Title Company
<b>Address</b>	912 W Baxter Drive, Suite 150 South Jordan, UT 84095				1759 Tyler Avenue New Orleans, LA 33142
<b>NMLS ID</b>	1186381				
<b>LA License ID</b>					2558
<b>Contact</b>	Tenamarie Bushnell				Jane Doe
<b>Contact NMLS ID</b>	599738				
<b>Contact LA License ID</b>	123123				5224
<b>Email</b>	tbushnell@tbd.org				jdoe@gmail.com
<b>Phone</b>	318-290-3670				305-326-8000

## 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.

John Johnson

Date

Date

**NOTE**

August 24, 2020

Woodworth, LOUISIANA

111 Clubhouse Drive  
Woodworth, LOUISIANA 71485  
(Property Address)

**1. BORROWER'S PROMISE TO PAY**

In return for a loan that I have received, I promise to pay U.S. \$8,572.00 (this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is **CBC Mortgage Agency**.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder."

**2. INTEREST**

I will pay interest at a yearly rate of **6.500%**.

Interest will be charged on unpaid principal until the full amount of principal has been paid.

**3. PAYMENTS**

I will pay principal and interest by making payments each month of U.S. \$97.33.

I will make my payments on the **1st** day of each month beginning on **October 1, 2020**. I will make these payments every month until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. If, on **September 1, 2030**, I still owe amounts under this Note, I will pay all those amounts, in full, on that date.

I will make my monthly payments at

**Statebridge Company, LLC**  
**6061 South Willow Drive, Suite 300**  
**Greenwood Village, COLORADO 80111**

or at a different place if required by the Note Holder.

**4. BORROWER'S FAILURE TO PAY AS REQUIRED**

**(A) Late Charge for Overdue Payments**

If the Note Holder has not received the full amount of any of my monthly payments by the end of **FIFTEEN** calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be **5.000%** of my overdue payment, but not less than U.S. \$N/A and not more than U.S. \$N/A. I will pay this late charge only once on any late payment.

**(B) Notice From Note Holder**

If I do not pay the full amount of each monthly payment on time, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. That date must be at least 10 days after the date on which the notice is mailed to me or, if it is not mailed, 10 days after the date on which it is delivered to me.

**(C) Default**

If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount.

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

LOUISIANA - Second Mortgage - 1/80 - FNMA/FHLMC UNIFORM INSTRUMENT

Form 3919  
Amended 7/03

**(D) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back for all of its costs and expenses to the extent not prohibited by applicable law. Those expenses include, for example, attorneys' fees of \_\_\_\_\_% of the sums due under this Note.

**5. THIS NOTE SECURED BY A MORTGAGE**

In addition to the protections given to the Note Holder under this Note, a Mortgage, dated **August 24, 2020**, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note.

**6. BORROWER'S PAYMENTS BEFORE THEY ARE DUE**

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in a letter that I am doing so. A prepayment of all of the unpaid principal is known as a "full prepayment." A prepayment of only part of the unpaid principal is known as a "partial prepayment."

I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates or changes in the amounts of my monthly payments unless the Note Holder agrees in writing to those delays or changes. I may make a full prepayment at any time. If I choose to make a partial prepayment, the Note Holder may require me to make the prepayment on the same day that one of my monthly payments is due. The Note Holder may also require that the amount of my partial prepayment be equal to the amount of principal that would have been part of my next one or more monthly payments.

**7. BORROWER'S WAIVERS**

I waive my rights to require the Note Holder to do certain things. Those things are: (A) to demand payment of amounts due (known as "presentment"); (B) to give notice that amounts due have not been paid (known as "notice of dishonor"); (C) to obtain an official certification of nonpayment (known as a "protest"). Anyone else who agrees to keep the promises made in this Note, or who agrees to make payments to the Note Holder if I fail to keep my promises under this Note, or who signs this Note to transfer it to someone else also waives these rights. These persons are known as "guarantors, sureties and endorsers."

**8. GIVING OF NOTICES**

Any notice that must be given to me under this Note will be given by delivering it or by mailing it by certified mail addressed to me at the Property Address above. A notice will be delivered or mailed to me at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at the address stated in Section 3 above. A notice will be mailed to the Note Holder at a different address if I am given a notice of that different address.

**9. RESPONSIBILITY OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note (as described in Section 7 above) is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note. Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorser of this Note (as described in Section 7 above) is also obligated to keep all of the promises made in this Note.

LOUISIANA - Second Mortgage - 1/80 - FNMA/FHLMC UNIFORM INSTRUMENT

Form 3919  
Amended 7/03

\_\_\_\_\_  
**John Johnson** (Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower  
*(Sign Original Only)*

“NE VARIETUR” for identification with an Act of Mortgage passed before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public:  
Notary Identification Number:

Loan originator (Organization): **CBC Mortgage Agency; NMLS #: 1186381**  
Loan originator (Individual): **Tenamarie Bushnell; NMLS #: 599738**



Loan Number: **5000198**  
Borrower(s): **John Johnson**  
MERS Min: **549311113662789222**

## **ALLONGE TO NOTE**

For purposes of further endorsement of the following described Note, the allonge is affixed and becomes a permanent part of the Note.

Loan Amount: **8,572.00**

Allonge To One Certain Note Dated: **8/24/2020**

And Executed By: **John Johnson**

Property Address: **111 Clubhouse Drive**  
**Woodworth, LA 71485**

PAY TO THE ORDER OF  
CBC MORTGAGE AGENCY  
WITHOUT RECOURSE

CBC Mortgage Agency

BY: \_\_\_\_\_  
Name

Its: \_\_\_\_\_  
Title

**MORTGAGE**

WHEN RECORDED, MAIL TO:  
**CBC Mortgage Agency**  
**912 W Baxter Drive, Suite 150**  
**South Jordan, UTAH 84095**

This instrument was prepared by:  
**CBC Mortgage Agency**  
**912 W Baxter Drive, Suite 150**  
**South Jordan, UT 84095**

Parcel ID Number: **81829-307**

\_\_\_\_\_ (Space Above This Line For Recorder's Use) \_\_\_\_\_

MIN: **549311113662789222**  
SIS Telephone #: **(888) 679-MERS**

ON THIS **24th day of August, 2020,**

before me, \_\_\_\_\_, a Notary Public in and for the Parish of \_\_\_\_\_, State of Louisiana, and in the presence of the undersigned witnesses, appeared

**John Johnson, Married man**, (herein "Borrower"), a person(s) of the full majority and a resident(s) of said Parish and State, whose permanent mailing address is the Property Address stated below.

This Security Instrument is given to **Mortgage Electronic Registration Systems, Inc. ("MERS")**, (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns), as beneficiary. MERS is a corporation organized and existing under the laws of **Delaware**. The mailing address and telephone number of MERS are **P.O. Box 2026, Flint, MICHIGAN 48501-2026**, tel. **(888) 679-MERS**.

Borrower declared and acknowledged that Borrower owes **CBC Mortgage Agency**, a corporation organized and existing under the laws of **UTAH**, and whose permanent mailing address is **912 W Baxter Drive, Suite 150, South Jordan, UTAH 84095**, ("Lender"),

in the principal sum of U.S. **\$8,572.00**, with interest on the outstanding principal balance at the rate of **SIX AND ONE HALF** percent per annum, which indebtedness is evidenced by Borrower's note dated **August 24, 2020** paraphed "Ne Varietur" by me, Notary, for identification herewith and delivered to Lender, and extensions and renewals thereof (herein "Note"), which Note provides for monthly installments of U.S. **\$97.33**, of principal and interest payable on the **1st** day of each month, beginning **October 1, 2020**, with the balance of the indebtedness, if not sooner paid, due and payable on **September 1, 2030**;

LOUISIANA - SECOND MORTGAGE - 1/80 - UNIFORM INSTRUMENT WITH MERS

TO SECURE to Lender the repayment of the indebtedness of principal and interest evidenced by the Note; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage and hypothecate to MERS, (solely as nominee for Lender and Lender's successor and assigns), the following described property located in the Parish of **Rapides**, State of Louisiana:

**LOT 6 BELLE CHASE SUBD**

which has the address of **111 Clubhouse Drive  
Woodworth, LOUISIANA 71485**, (herein "Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Mortgage; but, if necessary to comply with law or custom, MERS, (as nominee for Lender and Lender's successors and assigns), has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing or canceling this Mortgage.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage and hypothecate the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

**2. Funds for Taxes and Insurance.** Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either

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promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

**4. Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

**5. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

**6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

**7. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of

payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

**8. Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

**9. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

**10. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

**12. Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

**13. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

**14. Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

**15. Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

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**16. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

**17. Acceleration; Remedies.** Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may cause the Property to be seized and sold under either ordinary or executory process, with or without appraisal, to the highest bidder for cash. Borrower hereby confesses judgment in favor of Lender and any future holder of the Note in the full amount of all sums secured by this Mortgage, including, but not limited to, attorneys' fees and other fees and charges to the extent permitted by Applicable Law.

To the extent permitted by applicable law, Borrower waives: (a) the benefit of appraisal as provided in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sales; (b) the three days' delay provided under Articles 2331 and 2772 of the Louisiana Code of Civil Procedure; and (c) all other benefits provided under all other articles not specifically mentioned above. Borrower agrees that any declaration of fact made by an authentic act before a notary public and two witnesses by a person declaring such facts to be within his or her knowledge, will constitute authentic evidence of such facts for purposes of foreclosure under applicable law, including but not limited to La. R.S. § 9:3504(D)(6) and La. R.S. § 9:5555.

**18. Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to the earlier to occur of (i) entry of a judgment by a Court enforcing this Mortgage or (ii) issuance of a writ of seizure and sale pursuant to court order if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

**19. Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under

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paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

**20. Cancellation.** This Security Instrument shall remain in effect until canceled from the public records. Following the full payment and satisfaction of all sums secured by the Security Instrument, Borrower may request in writing that Lender provide Borrower with the original paraphed Note marked "paid in full", or with an appropriate mortgage cancellation certificate, for submission to the Clerk of Court or Recorder of Mortgages for the parish in which the Property is located for the purpose of canceling this Security Instrument. Lender may delay providing Borrower with the canceled Note or with a mortgage cancellation certificate for up to 60 days following Lender's receipt of Borrower's request. Unless Lender agrees to cancel this Security Instrument from the public records, Borrower shall be responsible for doing so. Borrower shall pay all cancellation costs.

**21. Vendor's Lien Mortgage.** If Lender is a savings and loan association, the Note and other sums secured by this Mortgage shall be secured by a vendor's lien and privilege on and against the Property pursuant to the provisions of Louisiana Revised Statutes, Title 6, Section 833.

**22. Reasonable Attorneys' Fees.** "Reasonable attorneys' fees" as used in paragraphs 7, 18 and 19 of this Mortgage shall mean a fee of \_\_\_\_\_% of the unpaid debt.

**23. Waiver of Homestead.** Borrower and Borrower's spouse, if any, hereby waive all right of homestead exemption in the Property.

**24. Mortgage and Conveyance Certificates.** The production of Mortgage and conveyance certificates is waived by Lender and Borrower, who release me, Notary, from all liability for non-production.

**25. Late Charge.** Borrower shall pay to Lender a late charge of **5.000%** of any monthly installment of principal and interest as provided in the Note not received by Lender within **FIFTEEN** days after such installment is due. The late charge shall not be less than U.S. \$N/A and not more than U.S. \$N/A.

**26. Marital Status of Borrower.** The marital status of Borrower is: \_\_\_\_\_

**27. Full Ownership.** Borrower represents and warrants that Borrower is the full and lawful owner of the Property or, if the Property is on a leasehold interest, that Borrower is the full owner of the lease or leasehold interest. If the Security Instrument is on a lease or leasehold interest, and if Borrower subsequently acquires ownership of the Property, then, to the maximum extent permitted by applicable law (a) Borrower's leasehold and ownership interests in the Property shall not merge unless Lender agrees to the merge in writing, and (b) this Security Instrument shall encumber the ownership interest in the immovable property described in the lease or leasehold interest.

**REQUEST FOR NOTICE OF DEFAULT  
AND FORECLOSURE UNDER SUPERIOR  
MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

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THUS DONE, AND PASSED on this **24th day of August, 2020**, in the presence of the undersigned Notary Public, and in the presence of the undersigned competent witnesses, who hereinto sign their names, along with Borrower, after being duly sworn and after reading of the whole.

Witnesses:

\_\_\_\_\_  
-Witness

\_\_\_\_\_  
-Witness

\_\_\_\_\_  
(Seal)  
**John Johnson**  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower  
*(Sign Original Only)*

\_\_\_\_\_  
Notary qualified in  
Parish, Louisiana  
Notary Identification Number

Loan originator (Organization): **CBC Mortgage Agency**; NMLS #: **1186381**  
Loan originator (Individual): **Tenamarie Bushnell**; NMLS #: **599738**

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## EXHIBIT A

### 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:

The second mortgage will be issued by: **CBC MORTGAGE AGENCY**

The amount of the second mortgage will be **\$8,572.00**

The second mortgage interest rate will be **6.500%**.

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 **\$97.33** amount here for a total of **10** years.

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

\_\_\_\_\_  
**John Johnson**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## First Payment Notification

Borrower (s): **John Johnson**

Property Address: **111 Clubhouse Drive  
Woodworth, LA 71485**

Dear Homeowner:

We would like to take this opportunity to thank you for closing your mortgage loan with our company and to provide you with the following information regarding your loan:

Your loan number is **5000198**. Please include this number on all inquiries and correspondence to **Attn: Payment Processing Statebridge Company, LLC**.

Your loan will be serviced by: **Attn: Payment Processing Statebridge Company, LLC**

At present and until further notice, your monthly mortgage payment is as follows:

Principal and Interest	\$	<b>97.33</b>
IMPOUNDS/ESCROW:		
Hazard Insurance		
Mortgage Insurance		
City Taxes		
County Taxes (based on present information)		
<b>TOTAL MONTHLY MORTGAGE PAYMENT:</b>	<b>\$</b>	<b>97.33</b>

Your payment is due on the **1st** day of each month beginning **October 1, 2020**, and is to be mailed to:

**Attn: Payment Processing Statebridge Company, LLC  
6061 South Willow Drive, Suite 300  
Englewood, CO 80111**

Once again, all checks, letters, etc. MUST have your loan number on them or they will be returned.

If your payment is more than **15** days late, you will be charged a late charge of **5.000%** of the overdue payment of principal and interest, but not more than U.S. \$N/A, or less than U.S. \$N/A.

I understand that my mortgage payments are due on the **1st** day of each month and would like to request that my payment coupons and all correspondence be mailed to:

**111 Clubhouse Drive  
Woodworth, LA 71485**

\_\_\_\_\_  
**John Johnson**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## NOTICE OF SERVICING TRANSFER

Date: **August 24, 2020**

The servicing of your mortgage loan is being transferred, effective **August 24, 2020**. This means that after this date, a new servicer will be collecting your mortgage loan payments from you. Nothing else about your mortgage loan will change.

**CBC Mortgage Agency** is now collecting your payments. **CBC Mortgage Agency** will stop accepting payments received from you after **August 24, 2020**.

**Statebridge Company, LLC** will collect your payments going forward. Your new servicer will start accepting payments received from you on **August 24, 2020**.

**Send all payments due on or after August 24, 2020 to Statebridge Company, LLC at this address:**

**Statebridge Company, LLC  
6061 South Willow Drive, Suite 300  
Greenwood Village, CO 80111**

If you have any questions for either your present servicer, **CBC Mortgage Agency** or your new servicer **Statebridge Company, LLC**, about your mortgage loan or this transfer, please contact them using the information below:

Current Servicer: <b>CBC Mortgage Agency Servicing Department</b>  <b>912 W Baxter Drive, Suite 150 South Jordan, UT 84095</b>	New Servicer: <b>Statebridge Company, LLC Servicing Department</b>  <b>6061 South Willow Drive, Suite 300 Greenwood Village, CO 80111</b>
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Under Federal law, during the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer on or before its due date may not be treated by the new servicer as late, and a late fee may not be imposed on you.

I/We hereby certify that I/we have received a copy of this disclosure and that I/we read and understand its contents, as evidenced by my/our signatures below.

\_\_\_\_\_  
**John Johnson**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Date: **August 24, 2020**

Dear: **John Johnson**

As the President of CBC Mortgage Agency, I want to thank you for the opportunity to serve you by assisting with the down payment on your new home. I would also like to provide you with some important details about the choices you have in the financing of your home. Our government agency is working with your lender, **CBC Mortgage Agency**, to provide you down payment funds in conjunction with the first mortgage loan you are receiving. The down payment funds we provide are typically in the form of a second mortgage, which you may or may not be required to repay based on the specific down payment assistance program you qualify for.

**Our Mission - As a federally chartered, public purpose, government agency, we work to increase affordable and sustainable homeownership opportunities for credit worthy individuals who lack down payment funds.**

Given your home ownership and financial security goals, it is critical that you fully understand your mortgage terms. You have chosen to obtain home financing by using a mortgage professional. That was a good decision. Undoubtedly, in the course of the mortgage application process, they have explained to you the various alternative types of mortgages and the features, advantages, and trade-offs of each.

In addition, you have received a number of documents which disclose the key terms of the first mortgage type you have selected. You will also be provided with the promissory note which obligates you to repay the money you are borrowing. That note describes in detail how your mortgage will work. I encourage you to read these documents carefully and to consult with your mortgage professional if you should have any questions.

The following are a few important points for you to consider as you go through the home buying process.

#### **DOWN PAYMENT AND INTEREST RATE - OPTIONS AND DECISIONS**

The terms of your first mortgage can be impacted if you don't have your own down payment. It is possible that the interest rate on your first mortgage is higher than if you provided your own down payment. In addition, there can be a significant difference in the interest you are paying on your first mortgage depending on the down payment program you utilize. To determine which option makes the most sense for you, you should consider things like how long you think you will be in your new home. For example, if you qualify for a forgivable second mortgage, but you plan to be in your home more than 5-7 years, the additional interest you are charged on your first mortgage may exceed the amount of the forgivable second mortgage you are receiving. If this is the case, you may want to opt for a repayable second mortgage that gives you a better interest rate on your first mortgage, or you may want to bring in your own down payment.

Ask your licensed mortgage loan professional what the interest rate on the first mortgage would be were you to provide your own down payment. You can then better choose between the down payment options as described below:

#### **Option 1- Save up your own down payment, and receive no down payment assistance and the associated second mortgage.**

Advantages:

- Typically, a lower interest rate on the first mortgage
- Potentially easier processing and underwriting

Disadvantages:

- While saving up the down payment, the home you're looking may be sold.
- While saving up the down payment, home prices in general may go up, resulting in your inability to afford the home or in less future equity and wealth creation if you do purchase the home later.

- You are left with diminished savings in your bank account, causing financial difficulty or consumer borrowing to purchase furniture, yard equipment, etc. You may also lack the funds to cover an unforeseen event, i.e. unforeseen repairs or medical emergency.

**Option 2 - Buy a home now and obtain your down payment through the Chenoa Fund DPA Edge Program, provided by CBC Mortgage Agency.**

Advantages:

- Potentially enjoy future increased household net worth by buying now if home prices increase over time.
- Purchase from currently available properties without risking that inventory will be sold months when you're finally ready to buy.
- Potentially not be required to pay back the down payment you receive from the Chenoa Fund. **Borrowers qualifying for the potential repayment forgiveness program cannot exceed specific income threshold requirements** (certain additional restrictions apply for us to forgive the balance of the second mortgage, including 36 months of consecutive on-time first mortgage payments.)
- Typically pay a higher interest rate on the first mortgage, causing you to lock in a higher payment for potentially years. **Over time, the amount of additional interest you pay on the first mortgage could exceed the amount of the down payment assistance.**
- CBC Mortgage Agency will not subordinate the second mortgage in the first 3 years of the loan. This means that if interest rates drop 6 months after you purchase the home and you desire to refinance, you may be required to repay the down payment you received, or be prevented from refinancing altogether.

**Option 3 - Buy now and obtain your down payment through the Chenoa Fund Rate Advantage Program, provided by CBC Mortgage Agency.**

Advantages:

- Competitive market interest rates on the first mortgage.
- Potentially enjoy future increased household net worth by buying now if home prices increase over time.
- Purchase from currently available properties without risking that inventory will be sold when you're finally ready to buy.
- Preserve any funds you currently have in your bank account and use them to cover emergencies, furniture, yard equipment, etc. Oftentimes, new homeowners purchase a home, and given they now lack cash, they finance needed household items on credit, at terms much worse than they could have had under a second mortgage through CBC Mortgage Agency.

Disadvantages:

- You will be required to repay the down payment assistance funds at a fixed rate of interest over a 10-year period instead of having the option for repayment over a 30-year period.
- Although your interest rate on the first mortgage will be significantly less than if you choose Option 2, it could still be higher than if you bring in your own down payment.

CLOSING PROCESS

If your loan is approved, you will later go to closing to sign documents to own the home. This will entail signing many agreements which obligate you to repay the money you have received. In addition, you will sign a set of second mortgage documents for the down payment assistance funds, and there will be a second mortgage lien attached to the title of your property that will not be subordinated and will only be released after the loan is paid off, or in the case of a forgivable second mortgage, after 36 months of consecutive on-time first mortgage payments have been made. **If the second mortgage needs to be paid off over time on a monthly basis you will have two payments, one for the first mortgage and one for the second mortgage.**

POST CLOSING - OWNING YOUR OWN HOME

Now you have achieved the dream of homeownership, a fundamental goal of most Americans. We strongly believe in the merits of homeownership, since homeownership has been demonstrated to improve health, educational performance, stability of communities, household wealth creation, and more stable retirement years. You will likely come to see and enjoy these benefits in your own life.

Since we are interested in not only helping you buy a home, but keeping it, if you face a situation that prevents you from making a mortgage payment on time, it is critical that you discuss this with your lender before the problem grows. Often times a struggling homeowner will "hide" and not speak with the mortgage company, hoping the problem will fix itself. This is the worst thing you can do, since the hole created could grow too big to climb out of.

A final comment: It is likely that your first mortgage will be sold from time to time. The terms of your loan will not change regardless of who owns it. Do not be alarmed by this. It is normal. You will be notified in writing by both the company selling the mortgage, as well as the company buying the mortgage. Even though we may sell your first mortgage loan, we are still highly motivated in seeing you succeed as a new homeowner.

To that end, we will take proactive steps to stay in touch with you over the next year. Look at us as your friend and advisor. If you have qualified for a forgivable second mortgage, we are anxious to see you successfully meet the 36-month forgiveness schedule, and will reach out to you via letter, email, and phone from time to time. We call this our Borrower Success Program. We want to be a resource to you. Should you have difficulty with your new lender, it may be possible for us to help.

Our Borrower Success Program is implemented through our partnership with Hope Loan Port (HLP), a HUD approved, non-profit counseling agency. We work hand-in-hand with HLP to ensure you have all the tools and resources you need to be a successful, long-term homeowner. Over the next twelve months, HLP and CBC Mortgage Agency will reach out to you via letter, email and telephone to check in, offer assistance as needed, or to simply congratulate you on your continued success. The Borrower Success Program is offered free of charge, and we hope you will take advantage of this valuable service.

We wish you success in this highly rewarding endeavor<sup>3/4</sup>the dream of homeownership. We are here as your friends and advocates. Please don't hesitate to use us as a resource in the months and years ahead.

Sincerely,

Richard Ferguson  
President  
CBC Mortgage Agency

NOTICE: THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT YOUR DOWN PAYMENT ASSISTANCE.  
PLEASE READ CAREFULLY.

By signing below, I acknowledge that I have read and understand the above information.

---

**John Johnson**

Date

Date

**FACTS****WHAT DOES CBC MORTGAGE AGENCY DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?**

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and Transaction history
- Payment history and Account balances
- Credit history and Income

**How?**

All financial companies need to share customer's personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customer's personal information; the reasons CBC Mortgage Agency chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does CBC Mortgage Agency share?	Can you limit this sharing?
<b>For our everyday business purposes -</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes -</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes -</b> information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes -</b> Information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	No	We don't share
<b>For non-affiliates to market to you</b>	No	We don't share

**To limit our sharing**

- Call 8665633507 - our menu will prompt you through your choice(s) **or**
- Visit us online: [chenoafund.org](http://chenoafund.org)

**Please note:**

If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice.

However, you can contact us at any time to limit our sharing.

**Questions?**

Call 8664353507 or go to [chenoafund.org](http://chenoafund.org)

## Who we are

<b>Who is providing this Notice?</b>	CBC Mortgage Agency
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## What we do

<b>How does CBC Mortgage Agency protect my personal information?</b>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We restrict access to non public personal information about you to employees who need it in the course of doing business with you.</p>
<b>How does CBC Mortgage Agency collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>▪ Apply for a loan or Give us your income information</li> <li>▪ Provide account information or Show your driver's license</li> <li>▪ Use your credit or debit card</li> </ul> <p>We also collect your personal information from other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal Law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>▪ sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>▪ affiliates from using your information to market to you</li> <li>▪ sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. [See below for more on your rights under state law.]</p>
<b>What happens when I limit sharing for an account I hold jointly with someone else?</b>	<p>Your choices will apply to everyone on your account—unless you tell us otherwise.</p>

## Definitions

<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>CBC Mortgage Agency does not share with our affiliates</i></li> </ul>
<b>Non-affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>CBC Mortgage Agency does not share with nonaffiliates so they can market to you.</i></li> </ul>
<b>Joint Marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>▪ <i>CBC Mortgage Agency doesn't jointly market.</i></li> </ul>



## QUALITY CONTROL RELEASE

Date: **August 24, 2020**  
Lender: **CBC Mortgage Agency  
912 W Baxter Drive  
South Jordan, UT, 84095**  
Borrower Name(s): **John Johnson**  
Property Address: **111 Clubhouse Drive  
Woodworth, LA 71485**

I/We the undersigned applicant(s), understand that our mortgage application may be selected by the Lender and/or its Assigns or Agent for a Quality Control Review. This review is designed to produce and maintain quality service for our borrowers and to comply with agency and investor guidelines. The Quality Control Review will involve verification of all credit information (including employment history, income, bank accounts, and credit references) as well as the property valuation and occupancy.

I/We agree to cooperate with the Lender and/or its Agent to the extent necessary to accomplish this review. It is understood that the information may be verified with third parties such as our employers, depository institutions, credit reporting agency and/or any utility provider (telephone, electric, gas, water, etc).

I/We authorize the release of any and all information in regards to payment histories and servicing notes pertaining to this loan for the life of the loan regardless of who currently holds the loan for servicing.

Therefore, I/we have signed below authorizing the release of employment, financial, occupancy and loan history information to assist in the Quality Control review process for the duration of the loan.

\_\_\_\_\_  
**John Johnson**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date