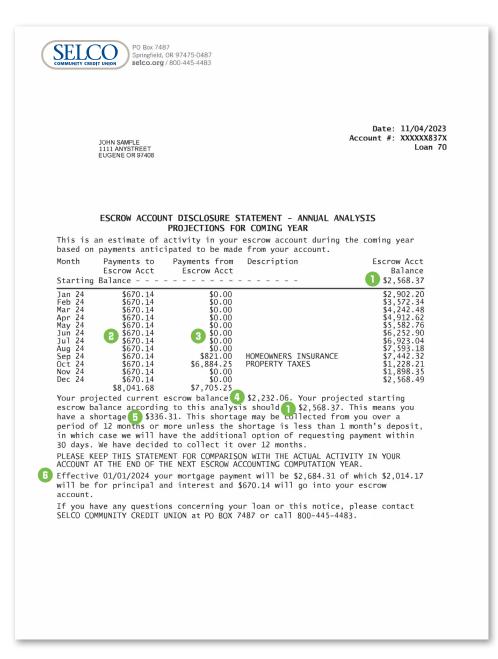


# **Escrow Statement Quick Guide**

This guide provides information to help you understand your annual escrow analysis statement, which compares your projected year-end balance with anticipated payments to and from your account next year. This analysis is done annually to ensure your escrow balance stays above required federal, state, and contract required minimums.

If you have questions about your statement that aren't answered in this guide, please call us at 800-445-4483.



- 1 This is the projected balance your escrow account should start with to cover estimated payments and stay above required minimums throughout the year.
- 2 These are the projected monthly payments you will make **to** your escrow account next year.
- 3 These are the estimated payments, including your homeowners insurance, property taxes, and flood insurance (if required), that will be deducted *from* your escrow account next year, based on current year activity (see page 2 of your statement).
- 4 This amount is from page 2 of your statement. We've projected what your current escrow account balance will be at the end of this year and noted it here.
- This is the difference between your current projected balance—what we estimate your actual balance will be at the end of the year (item 4)—and what we project your starting balance should be (item 1) to keep your escrow account balance above required minimums.
- 6 An explanation of how this analysis will impact the escrow portion of your mortgage payments next year. If you have a shortage and would like to consider another option, please contact us **before** your January payment is due.

#### Have questions?

See below for answers to frequently asked questions, or give us a call at 800-445-4483.



# **Frequently Asked Questions**

# Will my mortgage payment change?

If your current projected year-end balance (item 4) is less than what we've projected for 2024, you have an escrow shortage. Your mortgage payment will increase on January 1, 2024, to the monthly amount shown on page 1 of your statement (item 6). Or, you can choose to pay the total shortage amount to your escrow account up front to reduce or eliminate a payment increase (paying the shortage may not completely eliminate your payment increase if your taxes or insurance premiums are increasing). If you'd like to consider other options, please contact us **before** your January 1 payment is due.

If your current projected year-end balance (item 4) is more than what we've projected for 2024, you have a surplus. Your mortgage payment will decrease on January 1, 2024, and if the surplus is more than \$50, you'll receive a check for the surplus amount. If your surplus is less than \$50, we will apply the amount to your escrow balance, further reducing your monthly payments.

**Note:** Deficits in your escrow account and changes in taxes or your insurance premium may also be factored into your new mortgage payment amount, so your payment change may not equal your deficit or surplus amount.

## When will the new change take effect?

Your January 1, 2024, mortgage payment will reflect the changes.

## Will my Bill Pay or automatic payment change to reflect the new amount?

No, you'll need to update your mortgage Bill Pay or automatic payment information to reflect your new mortgage payment amount before your January payment is due. If you use Bill Pay, you can make this change in digital banking.

## What options do I have for paying a shortage?

In most cases, we'll divide and apply the shortage in equal amounts to the escrow portion of your monthly mortgage payment. Or, you can pay the shortage in full before January 1, 2024, to avoid a payment increase. (Note: Your escrow portion may still increase if there are changes to your insurance or taxes.) If you choose to pay in full, call us at **800-445-4483** and we'll help you with the steps.

