

# HOW TO READ YOUR ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT

A quick guide to help you understand all your important escrow account information.



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FNAME1 LNAME1  
FNAME2 LNAME2  
ADDRESS 1  
CITY, STATE XXXXX-XXXX



## ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT

Property Address ADDRESS  
CITY, STATE XXXXX-XXXX  
Statement Date MM/DD/YYYY  
Loan Number XXXXXXXXXX  
New Mortgage Payment Amount \$X,XXX.XX  
New Payment Effective Date MM/DD/YYYY

### Overview

Each year, we perform an analysis of your escrow account to ensure that there are enough funds to meet the required minimum balance to pay your projected taxes and insurance premiums. This Annual Escrow Account Disclosure Statement details our findings.

- **Results of Our Analysis:** You have a **SHORTAGE**. Your escrow account balance is expected to fall below the required minimum balance.
- **What This Means for You:** Your shortage will be spread over **<XX>** months and included in your monthly payment.
- **Your Future Monthly Payment:** Your payments will **<increase/decrease/stay the same>**, based on our escrow analysis projections for the next calendar year.

Your escrow account has a shortage in the amount of  
**\$XXX.XX**

### Why do I have a shortage?

Below is a summary of your recent escrow activity. For more information about why your taxes or insurance premium adjusted, please contact your taxing authority or your insurance company.

For more details on how any insurance and/or tax adjustments will affect your future payments, please see the **Escrow Account Projections** section.

#### Annual Escrow Review

Escrow Item	Expected to Pay	Change	Now Expect to Pay
Insurance	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
Taxes	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
	\$XXX.XX	+/-	\$XXX.XX
Mortgage Insurance	\$XXX.XX	+/-	\$XXX.XX

#### Monthly Payment Comparison

Payment Remittance	Current MM/DD/YYYY	New MM/DD/YYYY
Principal and Interest	\$XXX.XX	\$XXX.XX
Escrow Deposit	XXX.XX	XXX.XX
Escrow Shortage	XXX.XX	XXX.XX
Miscellaneous	XXX.XX	XXX.XX
Total Payment	\$XXX.XX	\$XXX.XX

### How was my shortage determined?

A shortage occurs when your lowest projected escrow balance is less than your required minimum balance. This is determined by simply subtracting the **Required Minimum Balance** from the lowest **Projected Escrow Balance**, as highlighted in the **Escrow Account Projections** section.

Your required minimum balance is determined by federal law, state law and your loan contract and includes a payment cushion of up to two months of escrow payments to help cover any increase in taxes and/or insurance.  
Your current payment cushion is **\$XXX.XX**.

**REQUIRED MINIMUM BALANCE**  
Balance MM/DD/YYYY **\$X,XXX.XX**

**ESCROW SHORTAGE** **\$XXX.XX**

## Statement Identifying Information

Look here to find some basics, including your loan number, new mortgage payment amount and new payment effective date.

## Overview

Go here to see whether you have a shortage or surplus (including the amount) or sufficient funds. Learn how any surplus or shortage may be handled, and whether your future monthly payment will increase, decrease or stay the same.

## Summary

This quick summary of your recent escrow activity can help you learn more about why you may have a surplus or shortage. See the difference between what was expected to be paid for taxes and insurance versus what is now expected to be paid for the upcoming period, as well as how your new monthly payment compares to your existing payment.

## Required Minimum Balance

Your required minimum balance, also known as your payment cushion, covers any unanticipated tax or insurance increases. Your projected escrow balance is what we anticipate your lowest balance will be in the next 12 months. The difference between these two amounts will determine whether your account has a surplus or shortage.

### Escrow Account History Summary

Look here to see the details of what was actually paid into and from your account and how your actual account balance compares with what was previously projected.

### Escrow Account Projections

This is where you can find the estimate of all payments we expect to receive from you, and pay out for you, each month over the next year. The highlighted amounts are the lowest projected balance and the required minimum balance amounts used to determine whether you have a shortage or surplus.

The required minimum balance is the minimum acceptable amount in your escrow account over the next 12-month period.

### New Loan Payment

Go here to see a breakdown of your new loan payment amount, which includes your principal and interest, new escrow deposit and, if applicable, any monthly escrow shortage amount that needs to be paid.

### Customer Service

Here's how to get in touch with us for any questions or assistance. Please be sure to include your loan number on all correspondence.



YOUR ANNUAL  
ESCROW ACCOUNT  
STATEMENT  
LOAN NUMBER:  
XXXXXXXXXX

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#### Escrow Account History

This section is the actual activity that occurred from MM/YYYY through MM/YYYY. It represents the period of time between the last analysis statement date and the last analysis effective date. Over this period, an additional \$XX.XX was deposited into your escrow account for interest on escrow.

MONTH	Actual Escrow PAYMENTS	Actual Escrow DISBURSEMENTS	Actual Escrow DESCRIPTION	BALANCE
MMM YYYY	XX.XX	XX.XX	Text	\$X,XXX.XX

#### Escrow account activity from Month YYYY to Month YYYY

This section details your actual escrow account activity for the review period, which may help explain any changes to your payment.

Date	DEPOSITS TO ESCROW			PAYMENTS FROM ESCROW			Description	ESCROW BALANCE	
	Projected	Actual	Difference	Projected	Actual	Difference		Projected	Actual



YOUR ANNUAL  
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STATEMENT  
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#### Escrow Account Projections

This section provides an estimate of all payments we anticipate receiving as well as what we expect to pay on your behalf in the next year. The lowest projected balance and required minimum balance are highlighted for reference.

#### Escrow account projections from Month YYYY to Month YYYY

DATE	PAYMENTS TO ESCROW	WHAT WE EXPECT TO PAY	DESCRIPTION	PROJECTED ESCROW BALANCE	REQUIRED ESCROW BALANCE
			BEGINNING BALANCE	\$X,XXX.XX †	\$X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
MMM YYYY	XXX.XX	XXX.XX	Text	X,XXX.XX	X,XXX.XX
TOTALS	\$X,XXX.XX	\$X,XXX.XX			

† Your beginning account balance is negative, which means your account has a deficiency.  
We will collect this deficiency over <XX> months, as part of your shortage.

#### New Loan Payment

Your new payment consists of:

Principal & Interest (P & I)	\$XXX.XX	\$XXX.XX
Escrow Deposit	XXX.XX	XXX.XX
Other/Text	XXX.XX	XXX.XX
Escrow Shortage Amount	\$XXX.XX	\$XXX.XX

NEW LOAN PAYMENT Beginning on Month DD, YYYY \$X,XXX.XX Beginning on Month DD, YYYY \$X,XXX.XX

#### Customer Service

XXXXXXXXXXXX.com

**Live Chat:** Find all your loan information online. Still have questions? Use Live Chat on the website to speak with one of our representatives.

**Correspondence**  
PO Box XXXX  
City, XX 123456

We accept telecommunications relay service calls.

**Hours of Operation**  
Mon-Fri: 8:30am-12pm ET  
Sat: 8am-2pm ET

**Telephone**  
(XXX) XXX-XXXX

## We're here to help!



Find everything you need to know by going to [uwm.loanadministration.com](http://uwm.loanadministration.com) then selecting your mortgage account.



For any additional questions, use **Live Chat** to connect directly with an agent.



To learn more about escrow and what it means to you as a homeowner, please watch this short **video**.

<https://bit.ly/3rBEuoV>