

1. Anticipated Escrow Account Disbursements

This section estimates the amounts that will be paid out of your escrow account over the next year to cover your property taxes and any other expenses received.

Escrow Account Projection for the Coming Year

This chart shows the estimated activity in your escrow account over the next 12 months (both deposits made from your mortgage payments and withdrawals made to pay your tax bill). These estimates are based on your current tax and insurance costs. If your expenses change throughout the year, your actual payment amounts may also change.

2. Escrow Shortage Explanation and Amount (if applicable)

If your escrow account doesn’t have enough money to cover upcoming tax, the amount of the shortage will be shown here.

Escrow Surplus Check (if applicable)

If your escrow account has more than \$50 extra after covering tax payments for the year, you will receive a refund check for the surplus amount the following month, separate from your escrow analysis.

3. Payment Information

This breaks down your new total monthly mortgage payment amount for the next 12 months, including when the new payment will start if you don’t take any action on an escrow shortage (see bottom of page for more on shortage payment options).

4. Annual Escrow Account Disclosure Statement – Account History

This shows all the actual escrow account activity over the past year (like deposits made from your payments and disbursements made for taxes and insurance). It compares this to what was originally projected as well.

Sample

Statement Date: 07-12-2024
Account Number: 9000000
Escrow Balance: \$784.60
For Customer Inquiries Call: 800-478-6990 X1560

710 John B. Customer
246 Main St
Milford MA 01757-3030

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT
PROJECTIONS FOR COMING YEAR 09-2024 THRU 08-2025

This is an estimate of activity in your escrow account during the coming year based on payments anticipated to be made from your account.

Month/ Year	Payments To Escrow Account	Payments From Escrow Account	Description	Projected Escrow Balance
Required Starting Balance..... 820.52				
09-2024	404.84	0.00		1,225.36
10-2024	404.84	0.00		1,630.20
11-2024	404.84	1,225.36	Town of Milford, Tax Collector	809.68
12-2024	404.84	0.00		1,214.52
01-2025	404.84	0.00		1,619.36
02-2025	404.84	1,208.04	Town of Milford, Tax Collector	816.16
03-2025	404.84	0.00		1,221.00
04-2025	404.84	0.00		1,625.84
05-2025	404.84	1,208.04	Town of Milford, Tax Collector	822.64
06-2025	404.84	0.00		1,227.48
07-2025	404.84	0.00		1,632.32
08-2025	404.84	1,216.70	Town of Milford, Tax Collector	820.46

Under Federal Law, your lowest monthly balance should not exceed \$809.69 or 2 months of the anticipated payments from escrow. We chose a low balance of \$809.68 or 1/6th of anticipated payments from escrow. In order to achieve this low balance, your starting balance should be \$820.52 as shown above.

In fact, your anticipated escrow balance at the beginning of 09-2024 is \$1,213.80. This means that you have a surplus of \$393.28. This surplus must be returned to you unless it is less than \$50 in which case we have the additional option of lowering your monthly payments accordingly. We are sending you a check for the surplus.

Please keep this statement for comparison with the actual activity in your escrow account at the end of the escrow computation year.

Your new monthly mortgage payment for the coming year starting 09-2024 will be \$1,924.90 of which \$1,520.06 will be for principal and interest, and \$404.84 will go into your escrow account. The terms of your loan may result in changes to the monthly principal and interest payments during the year.

Sample

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710 John B. Customer
246 Main St
Milford MA 01757-3030

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT
ACCOUNT HISTORY

This is a statement of the activity in your escrow account from 09-2023 up to the beginning of your new escrow computation year - 09-2024.

Your monthly mortgage payment for the past year was \$1,949.26 of which \$1,520.06 was for principal and interest, and \$429.20 went into your escrow account.

The following compares Actual Activity to Prior Projection:

Month/ Year	Projected Payments To Escrow	Actual Payments To Escrow	Projected Payments From Escrow	Actual Payments From Escrow	Description	Escrow Balance Projected	Escrow Balance Actual
Starting Balance..... 858.45							920.70
09-23	429.20	429.20	0.00	0.00		1,287.65	1,349.90
10-23	429.20	429.20	0.00	1225.36*	Town of Milford, Tax Collector	1,716.85	553.74
11-23	429.20	429.20	1287.61	0.00*		858.44	982.94
12-23	429.20	429.20	0.00	0.00		1,287.64	1,412.98
01-24	429.20	429.20	0.00	1208.04*	Town of Milford, Tax Collector	1,716.84	634.14
02-24	429.20	429.20	1287.62	0.00*		858.42	1,063.34
03-24	429.20	429.20	0.00	0.00		1,287.62	1,492.54
04-24	429.20	429.20	0.00	1208.04*	Town of Milford, Tax Collector	1,716.82	713.70
05-24	429.20	429.20	1287.61	0.00*		858.41	1,142.90
06-24	429.20	429.20	0.00	0.00		1,287.61	1,572.10
07-24	429.20	429.20	0.00	1216.70*	Town of Milford, Tax Collector	1,716.81	784.60
08-24	429.20	0.00	1287.61	0.00*	Anticipated	858.40	1,213.80

An asterisk (*) indicates a difference from a previous estimate either in the date or the amount.

On your prior statement, we anticipated that payments from your account would be made during the escrow computation year totaling \$5,150.45. Under Federal Law, your lowest monthly balance should not have exceeded \$858.41 or 1/6 of anticipated payments from escrow. We chose a low balance of \$858.40 or 1/6th of anticipated payments from escrow.

ESCROW ANNUAL INFORMATION

Shortage Payment Options

If you have an escrow shortage, you have several options:

- Option 1: Pay your shortage in full. Keep in mind your payment could still go up at any point in the upcoming year.
- Option 2: Update your monthly payment amount in digital banking. If you set up a recurring transfer or Bill Pay in digital banking or through an outside vendor (such as another bank), update your payment amount before the effective date listed on your analysis.
- Option 3: Do nothing (this only applies if you have automatic payments set up directly through your loan account—not in digital banking). Your shortage amount will automatically get spread out and added to your new mortgage payments over the number of months shown on your analysis.