

Statement Date: 02-17-2018  
Account Number: 123456789

Information on this page shows the projected payments for the upcoming year

Escrow Balance: \$ -351.42



John Doe  
Jane Doe  
200 Riverfront Terrace  
Eau Claire, WI 54703

For Member Inquiries Call:  
715-834-6985

## ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT PROJECTIONS FOR COMING YEAR 04-2018 THRU 03-2019

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				797.88
04-2018	402.83	136.89	Private Mortgage Insurance	1,063.82
05-2018	402.83	136.89	Private Mortgage Insurance	1,329.76
06-2018	402.83	136.89	Private Mortgage Insurance	1,595.70
07-2018	402.83	1,199.84	Eau Claire County Town Taxes	798.69

Payments Royal Credit Union anticipates making on your behalf in the upcoming year. This may include:

- Private Mortgage Insurance
- Homeowner's insurance
- Property Taxes
- Flood Insurance

States the minimum balance that must remain in your escrow account

Under Federal Law, your lowest monthly balance should not exceed \$805.67 or 2 months of the anticipated payments from escrow. We chose a low balance of \$265.94 or 1/12th of anticipated payments from escrow. In order to achieve this low balance, your starting balance should be \$797.88 as shown above.

Information about the shortage, deficiency, or surplus amount for your escrow account

- Shortage - when there is still a positive balance in the escrow but not enough to pay the estimated items that need to be paid during the next period
- Deficiency - when there is a negative balance in an escrow account
- Surplus - when there is more than needed in the escrow account to make your payments

Your anticipated escrow balance at the beginning of 04-2018 is \$ -43.75. This means that you have a deficiency of \$43.75. Typically this deficiency may be collected from you over a period of 2 to 12 months unless the deficiency is less than 1 month's deposit, in which case we have the additional option of requesting payment within 30 days.

Your new monthly mortgage payment for the coming year starting 04-2018 will be \$1,857.55 of which \$1,384.58 will be for principal and interest, and \$472.97 will go into your escrow account.

Your new monthly mortgage payment for the coming year which includes escrow, principal, and interest

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History of the escrow account, including all payments that were made on your behalf. Also shows a comparison between what was anticipated, and what was actually paid.



## ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT ACCOUNT HISTORY

This is a statement of the activity in your escrow account from 04-2017 up to the beginning of your new escrow computation year – 04-2018.

Your monthly mortgage payment for the period was \$1,829.14 of which \$1,384.58 was for principal and interest, and \$444.56 went into your escrow account.

The following compares Actual Activity to Prior Projection:

The two columns in this area show what was expected to be paid and what was actually paid

The two columns in this area show the comparison between what the escrow account balance was projected to be, and what it actually was

Month/ Year	Projected Payments To Escrow	Actual Payments To Escrow	Projected Payments From Escrow	Actual Payments From Escrow	Payments From Escrow Description	Escrow Balance Projected	Escrow Balance Actual
Starting Balance						809.50	553.42
04-17	406.69	520.27	136.89	136.89	Private Mortgage Insurance	1,079.30	-170.04
05-17	406.69	444.56	136.89	136.89	Private Mortgage Insurance	1,349.10	137.64
		0.01			Credit Interest		
06-17	406.69	444.56	136.89	136.89	Private Mortgage Insurance	1,618.90	445.35
		0.04			Credit Interest		
07-17	406.69	444.56	1,266.71	1,266.71	Eau Claire County Town Taxes	621.99	-513.69
			136.89	136.89	Private Mortgage Insurance		

### ESCROW ANNUAL INFORMATION

Paid Into Escrow . . . . . 4,966.00\*\*      Paid Out of Escrow . . . . . 4,764.00

\*\* Includes Interest Credit of 0.13

### ITEMIZED DISBURSEMENTS

Homeowner's Insurance . . . . . 750.65  
 Private Mortgage Insurance . . . . . 1,505.79  
 City of Eau Claire Taxes . . . . . 1,199.85  
 Eau Claire County Taxes . . . . . 1,266.71

## FAQ - Escrow Analysis



### **Why am I getting an escrow analysis?**

Escrow analysis is run annually for any Member who has an escrow account established with Royal Credit Union for one or more payments. This could include Private Mortgage Insurance, Homeowner's Insurance, Property Taxes, and/or Flood Insurance. Escrow analysis projects what we expect your payments to be for the upcoming year based on what we paid last year.

### **How do you calculate how much I will pay for property taxes and homeowner's insurance next year?**

By reviewing what was paid out of your escrow account the previous year, we estimate how much we anticipate to pay the coming year.

### **What are projected payments from escrow?**

Projected payments from escrow are the amounts we expect to pay in the coming year.

### **How is my cushion calculated and why do I need it?**

Typically, your cushion is calculated by dividing the sum of all of the anticipated payments from your escrow account by 12. This is to protect your escrow account from drawing negative and resulting in a higher monthly payment.

### **Where can I find what my new payment will be?**

Your new payment can be found at the bottom of the second page of your escrow statement or on the attached cover letter.

### **Do I have any options to keep my payments the same?**

If you would like to discuss your options for keeping your payments the same you can contact the Mortgage Servicing Department at 715-834-6985 to review your account to determine what options will best work for you.

### **When will my new payment be effective?**

Typically, the payment change will be effective April 1st for Wisconsin Members and May 1st for Minnesota Members. You can find the date your payment will be effective on the first page of your escrow analysis statement or on the attached cover letter.

### **What if I have automatic payments established?**

If you have automatic payment from a Royal account or from an external financial set up:

If the new mortgage payment amount is:

- The same as your current automatic payment - your mortgage payment will continue to be made in full, but you may have less being applied to your principal balance. You can leave it as is or give us a call to adjust it.
- More than your automatic payment, we will change the payment for you.
- Less than your automatic payment, you can leave as is or give us a call to adjust it.

### **How do I review my escrow analysis?**

If you are enrolled in online banking, you can view your Escrow Account Statement through desktop & mobile online banking:

- o Log in to online banking.
  - Select Statements & Info.
  - Select on Statements.
  - Select your mortgage account with the statement listed as Escrow to view your Escrow Statement.

If you are not enrolled in online banking, you will receive your Escrow Account Statement in the mail.

\*If you paid your taxes early to try to take advantage of the tax reform bill, your escrow analysis may not be typical. Contact Mortgage Servicing at 715-834-6985 to discuss.