

# How to Read Your Escrow Statement




 Processing Center  
 P.O. BOX 2092  
 Glen Burnie, MD 21080

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 Statement Date: 10-05-2017  
 Account Number: [REDACTED]  
 Current Escrow Balance: \$1,808.36

**1** Current Escrow Balance

**ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT**  
**PROJECTIONS FOR COMING YEAR 12-2017 THRU 11-2018**

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.....				1,664.74
12-2017	290.67	1,374.07	FREDERICK COUNTY TREASURER	581.34
01-2018	290.67	0.00		872.01
02-2018	290.67	0.00		1,162.68
03-2018	290.67	0.00		1,453.35
04-2018	290.67	0.00		1,744.02
05-2018	290.67	0.00		2,034.69
06-2018	290.67	0.00		2,325.36
07-2018	290.67	1,374.07	FREDERICK COUNTY TREASURER	1,241.96
08-2018	290.67	0.00		1,532.63
09-2018	290.67	0.00		1,823.30
10-2018	290.67	0.00		2,113.97
11-2018	290.67	740.00	ERIE INSURANCE GROUP	1,664.64

**2** Required Starting Balance

**3** Expected monthly escrow payments

Under Federal Law, your lowest monthly balance should not exceed \$581.36 or 2 months of the anticipated payments from escrow. We chose a low balance of \$581.34 or 1/6th of anticipated payments from escrow. In order to achieve this low balance, your starting balance should be \$1,664.74 as shown above.

In fact, your anticipated escrow balance at the beginning of 12-2017 is \$1,355.20. This means that you have a shortage of \$309.54. This shortage may be collected from you over a period of 12 months unless the shortage is less than 1 month's deposit, in which case we have the additional option of requesting payment within 30 days. We have decided to collect it over 12 months.

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

**1** Current Escrow Balance reflects the balance as of the statement date noted above the Account Number. It does not reflect any account activity after this date.

If you see a (-) sign in front of your balance, that indicates there was a deficiency in your account balance. A deficiency means there was a negative balance in your Escrow Account—in other words, funds were advanced to cover disbursements because there was not enough in your account. This is different from a shortage, which occurs when there is still a positive balance in the account, but not enough to pay the estimated items that will need to be paid during the next period. If you have a deficiency, you are responsible to pay for both the deficiency as well as the shortage.

**2** The Required Starting Balance is the total amount needed in your Escrow Account by November 30, 2017, in order to pay estimated bills over the upcoming year (12/2017-11/2018).

**3** Expected monthly escrow payments for your 2018 Escrow Account activity, based on previous bills and payments. If there was a shortage or deficiency from last year, the amount of that shortage/deficiency will be divided by 12 and added to your expected escrow payment, resulting in the total monthly escrow payment for the coming year.

Alternatively, you may choose to pay for the shortage in one lump sum before the year-end instead. Paying the shortage in full by December 31, 2017 will reduce your monthly payment; however, the new amount will still be higher than it was last year, to prevent another shortage from occurring next year.

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than 1 month's deposit, in which case we have the additional option of requesting payment within 30 days. We have decided to collect it over 12 months.

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

**4** Your new monthly mortgage payment for the coming year starting 12-2017 will be \$2,128.66 of which \$1,812.19 will be for principal and interest, and \$316.47 will go into your escrow account.

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**4** Your new total monthly payment includes mortgage principal and interest, as well as funds set aside for escrow-related bills. If you had a shortage last year, your new payment was adjusted accordingly.

Also please see #3 regarding options for paying a shortage and how your new monthly payment would be affected depending on how you choose to pay the shortage.

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**ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT  
ACCOUNT HISTORY**

This is a statement of the activity in your escrow account from 12-2016 up to the beginning of your new escrow computation year - 12-2017.

Your monthly mortgage payment for the period was \$2,099.03 of which \$1,812.19 was for principal and interest, and \$286.84 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	Payments From Escrow Description	Escrow Balance Projected	Escrow Balance Actual
Starting Balance.....						1,496.39	1,306.45
12-16	272.32	286.84	1224.07	1280.38	FREDERICK COUNTY TREASURER Credit Interest	544.64	312.99
01-17	272.32	286.84	0.00	0.00	Credit Interest	816.96	599.88
02-17	272.32	286.84	0.00	0.00	Credit Interest	1,089.28	886.79
03-17	272.32	286.84	0.00	0.00	Credit Interest	1,361.60	1,173.73
04-17	272.32	286.84	0.00	0.00	Credit Interest	1,633.92	1,460.69
05-17	272.32	286.84	0.00	0.00	Credit Interest	1,906.24	1,747.68
06-17	272.32	286.84	0.00	0.00	Credit Interest	2,178.56	2,034.69
07-17	272.32	286.84	1319.88	1374.07	FREDERICK COUNTY TREASURER Credit Interest	1,131.00	947.61
08-17	272.32	286.84	0.00	0.00	Credit Interest	1,403.32	1,234.55
09-17	272.32	286.84	0.00	0.00	Credit Interest	1,675.64	1,521.52
10-17	272.32	286.84	0.00	0.00	Credit Interest	1,947.96	1,808.36
11-17	272.32	286.84	724.00	740.00	Anticipated	1,177.96	1,808.36
						1,355.20	

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 \$3,267.95. Under Federal

**5** The anticipated ending balance as of November 30, 2017.