



A Quick Guide to Understanding Your Mortgage Escrow Account Statement

- 1 Loan Information/Payment Information:**
 A breakdown of your new total monthly mortgage payment resulting from your escrow analysis.
- 2 Anticipated Annual Disbursements:**
 The expected total of disbursements for the coming year and the required escrow payment, including any shortage or deficiency payment.
- 3 Account Projections:**
 Projections of payments into or out of your escrow account for the coming year. There are two major components:
 - Monthly payments you will make into your escrow account.
 - Payments First Federal Lakewood will make from your escrow account to pay the escrow items.
- 4 Projected Escrow Balance Summary:**
 The difference between your projected starting balance and required escrow balance is the shortage/deficiency. If your escrow account has a shortage and/or deficiency, First Federal Lakewood will collect the amount(s) over a 12-month period. You may also pay the entire shortage and/or deficiency, by sending a check in U.S. Dollars made payable to: First Federal Lakewood with a notation "Escrow Account".

First Federal Lakewood
 MSSO
 14806 Detroit Ave.
 Lakewood Oh 44107

- 5 Previous Analysis Projections:**
 The amount that was projected at the time your escrow was established or your escrow analysis was completed last year.
- 6 Escrow Account History:**
 The amount that has actually been paid into and out of the escrow account each month.

First Federal Lakewood FFL.net

14806 Detroit Avenue, Lakewood, OH 44107
 Customer Service: (216) 529-2700

+ 0112345 00000002 UNCF15 0008765

Name Line 1
 Name Line 2
 Street Address
 City ST 00000-0000
 12365478956412347

1 LOAN INFORMATION

IF YOU HAVE QUESTIONS ABOUT YOUR STATEMENT
 Call: (216) 529-2700
 Email: servicing@ffl.net
 Mail: 14806 Detroit Ave.
 Lakewood, OH 44107

CORRESPONDENCE ADDRESS:
 123 Main Street
 Anywhere OH 44000-4444

PAYMENT INFORMATION

Loan Number: 1234567890000
 Analysis Date: 00/00/0000

	PRESENT	NEW PAYMENT
	PAYMENT	AS OF 00/00/00
Principals & Interest	\$000.00	\$000.00
Escrow Deposit	0.00	000.00
Optional Insurance	0.00	0.00
Other	0.00	0.00
Subsidy	0.00	0.00
TOTAL	\$000.00	\$000.00

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT

Coming Year Escrow Projections

Hercules et fuga. Nam qui quatrem fugiam voluptate molerepudae. It liquam, nobisat. Fis ad quatrem et voluptatepatcat incurest. sedit rehens et eria dolor sim et alit ped ex et orniet volorum fuga. Ro et quid utem faceprovides expliti umquiatit aut re dolupta pora dolor re dolupta estinis et perum aliqui sed elique plabonense dolesduciaXimi, quo corum quat autem kur sam nime vella cone voluptas dem adi venihiclet esAd que a voluptia non non et elkacereviti que core. quo quo demulap taturi nem que solemimin pa ate equantus ex es in nossestus dolendictio que pa nonectus adia sae ea ad explatis nos ma kdebis aut molere

2 ANTICIPATED ANNUAL DISBURSEMENTS

Hazard Ins.	\$000.00
Levee Dist.	000.00
Total Disbursements	000.00
1/12th Total Disbursements	
Monthly Deposit	000.00

3 ACCOUNT PROJECTIONS

MONTH	ANTICIPATED TO ESCROW	AMOUNT FROM ESCROW	DESCRIPTION	PROJECTED ESCROW ACCOUNT BALANCE	REQUIRED ESCROW ACCOUNT BALANCE
00/00	000.00	0.00	BEGINNING BALANCE	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
00/00	000.00	0.00	PAYMENT	000.00	000.00
TOTAL	000.00	000.00			

4 PROJECTED ESCROW BALANCE SUMMARY

As of 00/0000	
Projected Low Bal	\$000.00
Less Required Low Bal	000.00
Surplus	000.00
Escrow Shtg Prorated for 12 Mos.	000.00

5

Your Annual Escrow Account Disclosure reflects a projected surplus. If applicable this surplus will be refunded to you within 7-10 business days.

Please be advised a surplus may not be refunded to you if any of the following applies to your loan:

- The surplus exceeds the current escrow balance
- Your loan is past due
- The loan is an active bankruptcy
- The surplus is less than \$50.00 and will be applied as a credit

Thank you for your continued business.

First Federal Lakewood FFL.net

14806 Detroit Avenue, Lakewood, OH 44107
 Customer Service: (216) 529-2700

Loan Number: 0000000000000
 Analysis Date: 00/00/0000

Escrow Account History

6

Under Federal Law (RESPA) the lowest monthly balance in your escrow account should not exceed \$74.00 or 1/8th of the total anticipated annual disbursement from your escrow account, unless your mortgage documents or state law specifies a lower amount. When your escrow balance reaches its lowest point during the account cycle, that balance is targeted to be your cushion amount. Under the Mortgage Contract or State or Federal Law, the targeted low point in your escrow account is \$74.00 and the actual low point balance was \$-495.22, the amount is indicated with an asterisk (*).

Escrow Account History

- This statement itemizes your actual escrow account transactions since your previous analysis statement or initial disclosure. The projections from your previous escrow analysis are to the left of the actual payments, disbursements and escrow balance. By comparing the actual escrow payments to the previous projections listed, you can determine where a difference may have occurred.
- An asterisk (*) indicates a difference from the projected activity in either the amount or date.
- When applicable, the letter "E" beside an amount indicates that a payment or disbursement has not yet occurred, but is estimated to occur as shown.
- Your projected low point may or may not have been reached based on one or more of the following factors:

Payments(s) • Monthly payment(s) received were less than OR greater than expected • Monthly payment(s) received earlier OR later than expected • Previous overage was returned to escrow • Previous shortage not paid entirely	Taxes • Tax rate and/or assessed value changed • Exemption status lost or changed • Supplemental/Delinquent tax paid • Tax bill paid earlier OR later than expected • Tax installment not paid • Tax refund received • New tax escrow requirement paid	Insurance • Premium changed • Coverage changed • Additional premium paid • Insurance bill paid earlier OR later than expected • Premium was not paid • Premium refund received • New insurance-escrow requirement paid • Lender placed insurance premium paid
---	--	--

Projected Activity from Previous Analysis

Understanding Your Annual Escrow Analysis

Frequently Asked Questions



What is an escrow account?

An escrow account is set up by a mortgage lender to pay certain property-related expenses. It is typically required and controlled by the lender to guarantee that a homeowner is able to budget, on a monthly basis, the additional costs associated with owning a home. These expenses often include, but are not limited to, property taxes, homeowners insurance and flood insurance, as well as private mortgage insurance (PMI). An escrow account is a convenient way to have First Federal Lakewood pay your tax bill and insurance premiums for you. Escrow accounts protect both First Federal Lakewood and you as the customer.

What is an escrow analysis?

We perform an escrow analysis each year on your escrow account to determine if the current monthly deposits will provide sufficient funds to pay taxes and insurance for the coming year, as well as provide the appropriate cushion. The analysis identifies any overages, shortages or deficiencies—if they exist—and adjusts the total monthly payment accordingly if needed.

How do you calculate my escrow payment? Can First Federal Lakewood adjust it?

The escrow payment is calculated as required by the Real Estate Settlement and Procedures Act (RESPA). First Federal Lakewood estimates how much your taxes and insurance will cost over the next 12 months based on the last known amounts from your taxing authority and insurance company. If the annual amount for any escrowed items has changed since your annual escrow statement was generated, please contact us at 1-800-966-7300 to inquire about having your escrow account re-analyzed and adjusting your monthly escrow payment accordingly.

Why did my payment change?

The annual amount required to fund your escrow account depends on how much your insurance company(s) and taxing authority invoice First Federal Lakewood. Because these amounts can change, the escrow payment can also change. For more information, please see your escrow analysis.

What is a shortage?

Escrow shortages happen when your real estate taxes or insurance premiums increase, or if they happen to be higher than originally projected at loan closing. If this happens, your escrow account will be short and additional funds must be collected to satisfy the shortage.

How do I pay a shortage?

First Federal Lakewood will automatically collect the shortage amount over a 12-month period through your monthly escrow payment. You can also choose to pay the shortage in full by stopping into a branch, sending the required payment amount (clearly identified as an escrow shortage payment) separately or with your current monthly mortgage payment.

Will my escrow payment amount remain the same if I pay my shortage in full?

Your monthly escrow payment will still change even if you pay the shortage in full if your annual real estate taxes or insurance premiums change.

What is a surplus?

If your real estate taxes or insurance premiums are less than the projected amounts, it can result in a surplus, meaning your escrow account has more funds in it than will be needed to pay your escrowed items over the coming year, including the cushion. You will be reimbursed the entire amount if the surplus is \$50 or more. If it's under \$50, the amount will be placed in your escrow account and your monthly escrow payment will be reduced proportionately.

What is a deficiency?

If the actual, final escrow balance is negative, it is called a deficiency. Unless you choose to pay these amounts in full immediately, both a shortage and a deficiency will increase your monthly escrow payment..

How do I pay my deficiency?

First Federal Lakewood will collect the deficiency amount over a 12-month period through your monthly escrow payment. You can also choose to pay the shortage in full by stopping into a branch, sending the required payment amount (clearly identified as an escrow deficiency payment) separately or with your current monthly mortgage payment

What is a cushion?

The cushion is the amount of money you as the borrower are required to keep in your escrow account to cover unexpected increases for escrowed items. The cushion of your escrow account is shown as the "REQUIRED LOW BALANCE" on your annual mortgage escrow account statement. When your annual analysis projects that your escrow account balance will fall below this minimum amount, a projected shortage results. The amount of your cushion is governed by applicable law and the terms of your mortgage loan.

When my loan closed, I paid real estate taxes and insurance as part of closing costs. Why are you collecting funds for bills I already paid?

The tax and/or insurance payments at closing covered disbursements that were due immediately after closing or to fund the initial required amounts for your escrow account. We continue to collect funds in your escrow account to pay for future real estate taxes and insurance premiums as they are due.

How can I keep my escrow payment from increasing?

Review your annual real estate tax assessment and discuss any concerns or discrepancies with your local taxing authority. You may qualify for exemptions that you are not aware of. Also, consider getting competitive quotes for homeowner's insurance to ensure you are receiving the best premium for the amount of your coverage.

Questions about your monthly mortgage payment?

Please contact First Federal Lakewood mortgage servicing at 800-966-7300 Monday through Friday 8:30am—4:30pm EST or email LS-escrowanalysis@ffl.net.