ANNUAL ESCROW ANALYSIS
Quick Guide

Associated Bank

Each year, we review your escrow account to make sure the amount being set aside with your monthly mortgage payment is enough to cover your property taxes and homeowners insurance when those bills are due. Please closely review your escrow analysis ("Annual Escrow Account Disclosure Statement and Change of Payment Notice"). It shows the results of that review and explains if your payment needs to be adjusted up or down. Reference this Quick Guide and the FAQs for more details.

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 insurance premiums.

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).

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 tax and insurance bills). 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.*

Escrow Shortage Explanation and Amount (if applicable)
If your escrow account doesn't have enough money to cover upcoming tax and insurance payments, 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 and insurance payments for the year, you'll find a refund check for the surplus amount attached to this analysis. *If you have a surplus but no check is attached, additional information will be provided here.*

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.

Payments To Esc Acct
Projected column lists the original projected payments to be made into escrow. *Actual* column lists the actual payments deposited.

Payment From Esc Acct
Projected column lists the original projected amount to be disbursed from escrow. *Actual* column lists the actual amounts disbursed.

Projected Escrow Description
Describes the item paid from escrow (ex: taxes or insurance).

Escrow Bal Comparison
Projected column lists the originally projected escrow balance after each payment or disbursement from escrow. *Actual* column lists actual escrow balance after each payment or disbursement.

844-4004-0624F

Associated Bank
1305 Main Street
Stevens Point, WI 54481

4-844-06424-0000002-001-100-000-000-000

CUSTOMER NAME
99 WXYZ ST
CDEFGHIJKLMN WI 54929

ANTICIPATED ESCROW ACCOUNT DISBURSEMENTS

HOMEOWNERS INS	$617.00
PMI INSURANCE	$135.00
CITY/TOWN/VILLA	$2,374.35

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT AND CHANGE OF PAYMENT NOTICE PREPARED FOR:

Loan Number: 0000000000

03/04/2024

PAYMENT INFORMATION

	NEW
PRIN & INTEREST	$192.30
ESCROW PAYMENT	$260.52
SHORTAGE PYMT	$9.13
TOTAL	$461.95
TOTAL FIRST PAYMENT AMOUNT:	$461.95
NEW PAYMENT EFFECTIVE DATE:	04/01/24

If additional principal is drafted, please add to your new monthly payment. The amount of your monthly escrow payment may change.

Associated Loan Services Dept. has completed an analysis of your escrow account, and has adjusted your mortgage payment to reflect changes in your real estate taxes and/or property insurance. The escrow items to be disbursed from your account over the next twelve months are itemized above. If you have questions regarding this analysis, please write our Customer Service Department at Associated Loan Services Dept., 1305 Main Street, Stevens Point, WI 54481, or call toll-free 1-800-242-2470.

ESCROW ACCOUNT PROJECTION FOR THE COMING YEAR

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

DATE	ANTICIPATED PAYMENT	ANTICIPATED DISBURSEMENT	DESCRIPTION	ANTICIPATED BALANCE	REQUIRED BALANCE
			BEGINNING BALANCE	**$887.56**	**$997.19**
Apr/24	$260.52	$11.25	PMI INSURANCE	$1,136.83	$1,246.46
May/24	$260.52	$11.25	PMI INSURANCE	$1,386.10	$1,495.73
Jun/24	$260.52	$11.25	PMI INSURANCE	$1,635.37	$1,745.00
Jul/24	$260.52	$11.25	PMI INSURANCE	$1,884.64	$1,994.27
Aug/24	$260.52	$11.25	PMI INSURANCE	$2,133.91	$2,243.54
Sep/24	$260.52	$11.25	PMI INSURANCE	$2,383.18	$2,492.81
Oct/24	$260.52	$11.25	PMI INSURANCE	$2,632.45	$2,742.08
Nov/24	$260.52	$617.00	HOMEOWNERS INS	$2,275.97	$2,385.60
Nov/24	$0.00	$11.25	PMI INSURANCE	$2,264.72	$2,374.35
Dec/24	$260.52	$11.25	PMI INSURANCE	$2,513.99	$2,623.62
Dec/24	$0.00	$2,374.35	CITY/TOWN/VILLA	$139.64	$249.27 *
Jan/25	$260.52	$11.25	PMI INSURANCE	$388.91	$498.54
Feb/25	$260.52	$11.25	PMI INSURANCE	$638.18	$747.81
Mar/25	$260.52	$11.25	PMI INSURANCE	$887.45	$997.08

*Indicates your projected low point of $139.64. Your required reserve balance is $249.27 based on the terms of your mortgage contract, and/or federal or state regulations. The difference between the projected low point and the required reserve balance is **$109.63**. This is your shortage, which has been prorated, added to your monthly payment, and will be collected from you over a 12 month period.

Please keep for comparison with the actual activity in your account at the next escrow accounting computation year.

EXAMPLE

Loan Number: 0000000000 Name: CUSTOMER NAME

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT - ACCOUNT HISTORY

This is a statement of actual activity in your escrow account from 03/24 through 03/24. Last year's projections are next to the actual activity. As of your last analysis, the payment was calculated as $462.84 of which $192.30 was for principal and interest and $260.52 was for escrow. Please note that changes to your payment may have occurred since the last analysis based on escrow activity.

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.

	PAYMENTS TO ESC. ACCT.		PAYMENTS FROM ESC. ACCT.		PROJECTED ESCROW	ESCROW BAL. COMPARISON	
MONTH	PROJECTED	ACTUAL	PROJECTED	ACTUAL	DESCRIPTION	PROJECTED	ACTUAL
Dec/23	$260.52	$0.69	$11.25	$0.00	PMI INSURA	$2,623.62	$3,461.58
Dec/23	$0.00	$0.00	$2,374.35	$0.00	CITY/TOWN/	$249.27	$3,461.58
Jan/24	$260.52	$0.00	$11.25	$0.00	PMI INSURA	$498.54	$3,461.58
Feb/24	$260.52	$270.54	$11.25	$0.00	PMI INSURA	$747.81	$3,732.12
					BEGINNING BALANCE	**$747.92**	**$4,002.66**
Mar/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$997.19	$4,002.66 E
Apr/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$1,246.46	$4,002.66 E
May/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$1,506.98	$4,002.66 E
Jun/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$1,756.25	$4,002.66 E
Jul/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$2,005.52	$4,002.66 E
Aug/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$2,254.79	$4,002.66 E
Sep/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$2,504.06	$4,002.66 E
Oct/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$2,753.33	$4,002.66 E
Nov/24	$260.52	$0.00	$617.00	$0.00	HOMEOWNERS INS	$3,002.60	$4,002.66 E
Nov/24	$0.00	$0.00	$11.25	$0.00	PMI INSURANCE	$0.00	$4,002.66 E
Dec/24	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$2,634.87	$4,002.66 E
Dec/24	$0.00	$0.00	$2,374.35	$0.00	CITY/TOWN/VILLA	$0.00	$4,002.66 E
Jan/25	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$509.79	$4,002.66 E
Feb/25	$260.52	$0.00	$11.25	$0.00	PMI INSURANCE	$759.06	$4,002.66 E

Shortage Payment Options
If you have an escrow shortage, you have several options:

- **Option 1:** *Pay your shortage in full*. Use the form below or pay through a transfer in digital banking. Keep in mind your payment could still go up at any point in the upcoming year.
- **Option 2:** *Keep your payments the same*. First, find the difference between your new and old payment totals. Then, multiply that number by 12. Finally, pay that amount as a lump sum using the form below or through a transfer in digital banking.
- **Option 3:** *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 4:** *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.

Questions?
For more information about your escrow analysis, please review the Frequently Asked Questions on the back side of this Quick Guide or call our Midwest-Based Customer Care team at 800-242-2470.

For questions specific to taxes or insurance, please reach out to your local tax assessor's office or your insurance company/agent directly.

ESCROW SHORTAGE REMITTANCE FORM
If you would like to pay your shortage payment in full or keep your monthly payment amount the same, please complete and send this form with your check to:

Attn: Cashiering
Associated Loan Services Department
1305 Main Street
Stevens Point, WI 54481-0763

Loan Number: ______________________________ Name: ______________________________

Shortage Amount: ______________________________

Please select one: ___ Pay in full ___ Keep monthly payment the same

You can also choose to make your payment through a transfer in digital banking.

EQUAL HOUSING LENDER

ANNUAL ESCROW ANALYSIS
Frequently Asked Questions

Associated Bank

Q: What's an escrow account, and why do I have one for my mortgage?
A: An escrow account acts like a savings account for payment of your real estate taxes and/or insurance. As each mortgage payment is made, a dedicated portion of the funds are deposited into the escrow account to pay your taxes and/or insurance. Projected tax and/or insurance amounts are equal to last year's actual tax and/or insurance payments. In other words, we estimate that your tax and/or insurance bills for the upcoming year will be the same as they were the prior year. We use the funds from your escrow account to pay your tax and/or insurance bills when we receive billing information from the taxing authority or insurance company.

Q: Why did I receive an Annual Escrow Account Disclosure Statement and Change of Payment Notice (Escrow Analysis)?
A: Every year, we're required to review your escrow account and let you know if your monthly mortgage payment needs to change based on your actual tax and insurance costs. This Escrow Analysis statement shows the results of that review and explains any upcoming changes to your payment amount. We have to provide this by law, but it also helps ensure your escrow account has the right amount of money to cover the bills when they're due. If there are any changes throughout the year, we'll send you an updated statement.

Q: Why did my monthly mortgage payment change?
A: Your mortgage payment amount changes when your property tax or homeowners insurance costs increase or decrease. Here are some of the typical reasons why:

- **Homeowners insurance:** Your premium can change if you adjusted your coverage, made changes to your home or if your insurance company raised or lowered their rates. You'll want to reach out to your insurance company/agent directly about any premium changes.
- **Real estate taxes:** Property tax amounts often change because your home's assessed value went up or down, the local tax rates changed or you had special tax assessments added. It's best to reach out to your local tax assessor's office if you have questions about your property taxes.
- **New construction:** For newly built homes, the first property tax bills are just for the land/lot. Once the full home structure gets assessed later on, the taxes go up.
- **Initial escrow deposit:** At closing, your initial escrow deposit amount was just an estimate since the actual costs weren't known yet. Once we have actual tax and insurance amounts, we adjust your payment to match.

Q: Will my digital payment transfer be automatically adjusted?
A: No, you'll need to update your payment amount for the recurring transfer or Bill Pay payment you have set up. *Your payments will not process if you don't update the amount*.

Q: Why are you keeping extra money (a reserve balance) in my escrow account?
A: Mortgage loan documents allow us to keep a small "cushion" of funds in your escrow account (equal to about two months worth of escrow payments). This reserve helps cover any increases in your property taxes or homeowners insurance premiums from one year to the next. That way, there's already a little extra money in the account instead of your payment increasing significantly. It acts as a little safety net savings.

Q: How did you determine how much money should start in my escrow account?
A: We look at the projected low point for your escrow balance over the next 12 months after covering all the anticipated tax and insurance payments. Your starting escrow balance gets set to an amount that ensures your account won't fall below the minimum required cushion or reserve at that low point. This helps prevent your account from running short when major bills like property taxes are paid out.

Q: Can I get rid of my escrow account and pay taxes and insurance on my own?
A: It is possible to close your escrow account, but there are certain requirements you have to meet first. If you'd like us to review your account and see if you qualify to close escrow, please call our Customer Care team at 800-242-2470. They can let you know what's needed and explain the full process.

Q: What is an escrow shortage?
A: An escrow shortage means there isn't enough money in your escrow account to cover the anticipated property tax and insurance payments for the next 12 months. This could happen if your tax or insurance costs went up more than expected since the last analysis.

Q. What are my options to pay for a shortage?
A: You have several options:

- **Option 1:** *Pay your shortage in full*. Use the form below or pay through a transfer in digital banking. Keep in mind your payment could still go up at any point in the upcoming year.
- **Option 2:** *Keep your payments the same*. First, find the difference between your new and old payment totals. Then, multiply that number by 12. Finally, pay that amount as a lump sum using the form below or through a transfer in digital banking.
- **Option 3:** *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 4:** *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.

Q: Who do I contact if I have questions?
A:
- **Escrow or mortgage information:** Contact Associated Bank's Midwest-based Customer Care team at 800-242-2470.
- **Taxes:** Contact your local assessor's office.
- **Insurance:** Contact your insurance company or agent.

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(5/24) W36482