



# HERE TO GUIDE YOU IN UNDERSTANDING ANNUAL ESCROW ANALYSIS STATEMENT



## Current Account Information

The current Principal and Escrow balances as of the date of the analysis along with your next payment due date.

P.O. BOX 8854 METAIRIE LA 70011 800-220-2497 *****SINGLP 000003 06170 SP 00.470 113 JOHN DEAUX MARY DEAUX		<b>LOAN Summary</b> Loan Number: 2000190800 Principal Balance: 202,484.29 Escrow Balance: 7,552.13 Next Payment Due: 9/01/2018 PRIOR Payment Breakdown Principal and Interest: 2,623.78 Escrow: 1,212.50 Total Payment: 3,836.28
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## New Payment Breakdown

This figure includes your P&I payment along with your new escrow payment which may include any shortage and deficiency adjustments effective on the date shown.

P.O. BOX 8854 1908 FIDELITY WAY NEW ORLEANS LA 70130	<b>NEW Payment Breakdown Effective 10/01/2018</b> Principal and Interest: 2,623.78 Escrow: 1,517.72 Total Payment: 4,141.50 Property Address: 1908 FIDELITY WAY NEW ORLEANS LA 70130
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## Side By Side Comparison

At the time of your last annual analysis, we projected the current year's activity and here we display the differences between the projected and actual activity. The dates listed are not due dates but rather actual activity months. Items listed with \* are different from their projections while items listed with # are projected to occur before the end of the current escrow computation year.

Comparing Projections to the Actual Activity										
Description	Month	Prior Year Projections			Escrow Balance	Description	Month	Actual Activity		
		Pmts To	Pmts From	Escrow Balance				Pmts To	Pmts From	Escrow Balance
Beginning Balance				10096.41	Beginning Balance				10096.41	
Payment	Oct 17	1212.50		11306.91	Payment	Oct 17	1212.50		11306.91	
HAZARD INSURANC	Oct 17		5606.00	5702.91	HAZARD INSURANC	Oct 17		5879.52	5429.39 *	
Payment	Nov 17	1212.50		6915.41	Payment	Nov 17	1212.50		6641.89	
Payment	Dec 17	1212.50		8127.91	Payment	Dec 17	1212.50		7854.39	
Payment	Jan 18	1212.50		9340.41	Payment	Jan 18	1212.50		9066.89	
ORLEANS PARISH	Jan 18		8127.91	1212.50	ORLEANS PARISH	Jan 18		9186.26	119.37* #	
Payment	Feb 18	1212.50		2425.00	Payment	Feb 18	1212.50		1093.13	
Payment	Mar 18	1212.50		3637.50	Payment	Mar 18	1212.50		2305.63 *	
FLOOD	Mar 18		450.00	3187.50	FLOOD	Mar 18		450.00	3518.13	
Payment	Apr 18	1212.50		4400.00	FLOOD	Mar 18		450.00	3068.13	
Payment	May 18	1212.50		5612.50	Payment	Apr 18	1212.50		4280.63	
Payment	June 18	1212.50		6825.00	Payment	May 18	1212.50		5493.13	
Payment	July 18	1212.50		8037.50	Payment	June 18	1212.50		6705.63	
FLOOD	July 18		366.00	7671.50	Payment	July 18	1212.50		7918.13	
Payment	Aug 18	1212.50		8884.00	FLOOD	July 18		366.00	7552.13	
Payment	Sept 18	1212.50		10096.50	Payment	Sept 18	1212.50		8764.63 #	
TOTAL		14550.00	14549.91				14550.00	15881.78		

## Escrow Shortage Coupon

If you have a shortage, you can use this coupon to submit full or partial payment towards your shortage. The shortage will automatically adjust your monthly payment for the next escrow computation year if not paid. If you have a surplus, this coupon will not display and you will receive a surplus check in the mail under a separate cover.

Please detach and return the bottom portion of this statement with your shortage.

**Optional Lump-Sum Escrow Shortage Payment Coupon**

Use the coupon to pay your escrow shortage in one lump sum.

Please make your check or money order payable to FIDELITY BANK and write your loan number on your check.

FIDELITY BANK  
P.O. BOX 8854  
METAIRIE LA 70011

Loan Number: 2000190800  
Escrow Shortage amount \$2,330.71.  
See detail explanation of your shortage on the back of this statement. Escrow Shortage payment will be reviewed for a new escrow analysis.

Amount Enclosed

\$

## Escrow Summary

Displays the escrow items being collected for disbursement giving the scheduled disbursement date, the annual amount, and the month amount including necessary adjustments. Fidelity's escrow cushion is two month of escrow. This means over the course of your escrow computation year your escrow balance should never fall below two month's escrow payment, less any shortage and/or deficiency adjustments.

ANNUAL ESCROW SUMMARY INFORMATION						Loan Number: 2000190800			
Instead of making multiple payments for insurance and taxes during the year, escrow enables you to put money aside monthly and let your financial institution handle the payments.									
Description	Due Date	Expense	Escrow Payment	Description	Next	Expense	Total	Escrow	Monthly Payment
HAZARD INSURANC	10/2018	5879.52	561.87	ORLEANS PARISH	1/2019	9186.26			877.87
FLOOD	3/2019	450.00	43.00						
FLOOD	7/2019	366.00	34.98						
TOTAL							15881.78		1517.72
<b>ESCROW CUSHION</b>									
Section 10 of the Real Estate Settlement Procedures Act (RESPA) allows lenders to collect and maintain up to one-sixth of your total disbursements in your escrow account at all times. The escrow cushion is used to cover increased tax and insurance disbursements. We do not cushion for mortgage insurance or optional products.									
Total Monthly Escrow: \$1,517.72					Total Escrow Cushion: \$1,323.48				

## Upcoming Projections

Based on your projected starting balance (your current balance +/- any anticipated activity + payment in full of any outstanding shortage and/or deficiency) this accounts for the monthly payments and anticipated disbursements projecting the balance to ensure the account balance does not fall below the required cushion.

PROJECTIONS FOR COMING YEAR									
This is an estimate of activity in your Escrow Account during the coming year. The Target Balance is the beginning balance necessary to bring your escrow account at its lowest point during the next 12 months to zero plus the allowed escrow cushion.									
Description	Month	Pmts To	Pmts From	Escrow Balance	Description	Month	Pmts To	Pmts From	Escrow Balance
Target Balance				11095.34	Payment	Feb 19	1323.48		2646.96
Payment	Oct 18	1323.48		12418.82	Payment	Mar 19	1323.48		3970.44
HAZARD INSURANC	Oct 18		5879.52	6539.30	FLOOD	Mar 19		450.00	3520.44
Payment	Nov 18	1323.48		7862.78	Payment	Apr 19	1323.48		4843.92
Payment	Dec 18	1323.48		9186.26	Payment	May 19	1323.48		6167.40
Payment	Jan 19	1323.48		10509.74	Payment	Jun 19	1323.48		7490.88
ORLEANS PARISH	Jan 19		9186.26	1323.48	Payment	Jul 19	1323.48		8814.36
Payment	Feb 19	1323.48			FLOOD	Jul 19		366.00	8448.36
Payment	Mar 19	1323.48			Payment	Aug 19	1323.48		9771.84
Payment	Apr 19	1323.48			Payment	Sept 19	1323.48		11095.32
TOTAL							15881.76	15881.78	

## Escrow Computation

This section explains how your shortage and/or deficiency was calculated in relation to the required balance based on the required escrow cushion. Any shortages and/or deficiencies are set to automatically adjust the monthly escrow payment over the next 12 months or can be paid in full to eliminate the adjustments. Your total monthly payment is also broken down here for you in Principal & Interest and Escrow.

<b>ESCROW ACCOUNT COMPUTATION</b>	
Your ending balance from the last month of the account history is \$8,764.63. Your starting balance according to this analysis should be \$11,095.34. The Escrow Cushion selected by your servicer is \$1,323.48.	
This means you have a shortage of \$2,330.71. This shortage may be collected from you over a period of 12 payments or more 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 payments.	
The payment adjustment also includes the monthly amount needed in order to cover your current escrow shortage.	
Your monthly payment beginning with the 10/01/2018 payment will be \$4,141.50 of which \$2,623.78 will be for principal and interest and \$1,517.72 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.	

## New Payment Summary

This section breaks down your monthly escrow payment by the required amount, shortage adjustment, and deficiency adjustment.

<b>NEW PAYMENT SUMMARY:</b>	
Required Escrow Payment:	1,323.48
Shortage/Overage:	194.23
Plus/Minus Rounding:	.01
TOTAL Required Escrow:	1,517.72
Deficiency:	.00
NEW Escrow Payment:	1,517.72

# HERE TO ANSWER SOME FREQUENTLY ASKED QUESTIONS



**Q: *What is an escrow account?***

A: An escrow account is established by your mortgage servicer on your behalf to collect and pay for real estate expenses such as property taxes, homeowner's insurance, and flood insurance premiums.

**Q: *Why am I receiving an escrow analysis statement?***

A: Every year, Fidelity will review your escrow account to ensure there are enough funds in your account to cover the disbursements for your escrowed items. We send your escrow analysis statement to inform you of what has been paid from your account over the past 12 months and to inform you of the amounts we are projecting to pay over the next 12 months. The analysis also determines if there is an escrow surplus, shortage, or deficiency in the account then makes the necessary adjustments to your monthly escrow payment.

**Q: *What is the difference between an escrow shortage and escrow deficiency?***

A: An escrow shortage is the amount your escrow account is short in comparison to the required balance projection while an escrow deficiency is the negative balance amount in your escrow account.

**Q: *How is my escrow payment calculated?***

A: Escrow accounts are based on projected activity of payments and disbursements over a 12 month period. The objective is for the balance in the account to never fall below the required cushion during the 12 month computation period.

**Q: *What is an escrow cushion and why does the bank collect the cushion?***

A: Federal regulations allow financial institutions to collect up to 1/6th or 2 months of the total annual escrow disbursement obligations. The cushion funds are collected to cover unexpected disbursements and/or increases in the projected disbursements.

**Q: *How are my property tax and insurance projections calculated for next year?***

A: Each year Fidelity projects how much will be needed in escrow based on the last known disbursement from escrow for the escrowed item. The annual amount is divided over the next 12 month period and collected as part of your monthly mortgage payment. When the escrowed item comes due, Fidelity will disburse the required amount from your escrow to pay the item when due. If the escrowed item has increased or decreased from our projections, Fidelity will pay the necessary amount and adjust your escrow account during your next annual escrow analysis.

**Q: *Why is my payment changing if I have a fixed rate mortgage?***

A: Your fixed rate mortgage payment of Principal and Interest remains the same regardless of escrow. The escrows can change year to year and Fidelity performs your annual escrow analysis to adjust the escrow portion of your monthly mortgage payment accordingly.

**Q: *What is the minimum balance I can have in escrow?***

A: The lowest monthly escrow balance is determined by projecting your escrow activity over a 12 month period during which you make monthly escrow payments equal to 1/12th of the annual total while Fidelity makes the necessary escrow disbursements from your account. This low point balance is used to determine what required balance is needed to ensure your account balance does not fall below the required escrow cushion. The required minimum balance is equal to 2 month's escrow payment.

**Q: *What causes a shortage in my escrow account and an increase in my monthly payment?***

A: If your escrow account balance is less than the 2 month cushion required by Fidelity, then your escrow account has a shortage of funds. Your monthly escrow payment may increase due to an increase in property taxes, homeowner's insurance, and/or flood insurance premiums. Changes in these amounts are not determined by Fidelity but rather your tax assessor and your insurance provider. All questions regarding the changes in your property taxes should be directed to your local municipality tax collector's office while all changes to your insurance premiums should be directed to your insurance agent.

**Q: *Can I request my escrow account be reviewed and/or recalculated outside of my annual schedule?***

A: Fidelity will reevaluate your escrow account at your request if any of the escrowed items has significantly changed resulting in a material change in your monthly escrow payment. A request to reevaluate your escrow account can be made verbally or by written request, however Fidelity reserves the right to deny your request if the request is made within 60 days of the next regularly scheduled analysis.

**Q: *If I pay my shortage in full, will my payment amount remain the same?***

A: Paying your shortage in full will minimize your payment increase. Your payment amount will increase if the annual insurance premiums and property taxes have increased. Your shortage covers the amount under collected based on the prior year's projections and actual activity in your escrow account and the difference in the actual balance to your required balance. If you pay your shortage in full, Fidelity will recalculate your payment to collect the minimum payment based on your anticipated escrow disbursements which may still be higher than the previously collected escrow payment.

**Q: *How can I have a shortage if my payment is decreasing?***

A: Your payment may still decrease when you have a shortage if there was a larger shortage adjustment being collected in your payment based on your previous analysis.

**Q: *What happens if there is a surplus in my escrow account?***

A: If the escrow analysis determines there is a surplus of funds over the required balance in your account and your account is not delinquent, then those funds will be refunded to you. Surplus funds in excess of \$50.00 will be automatically disbursed as a refund check and mailed directly to you under a separate cover from your annual escrow statement. In accordance with Federal regulations, surplus funds totaling less than \$50.00 will be treated as a credit in your escrow account and will reduce the required monthly escrow collection.

## HERE TO PROVIDE ADDITIONAL ESCROW RESOURCES

You can contact us at [www.bankwithfidelity.com](http://www.bankwithfidelity.com), by phone @ 1-800-220-2497, by email to [LoanOperations@BankWithFidelity.com](mailto:LoanOperations@BankWithFidelity.com), or write to us at P.O. Box 5990, Metairie, LA 70009-5990 Attn: Loan Operations.