

Your Annual Escrow Analysis Statement

Each month, a portion of your mortgage payment goes into an escrow account to pay any applicable property taxes, homeowners insurance, mortgage insurance, or other types of insurance and taxes. Federal law requires that we analyze your account each year to determine whether the current balance and the amount of money we collect each month is appropriate based on the bills that we expect to pay over the next 12 months. If the account has too much money, we generally refund the surplus and/or lower your monthly payment; if the account has too little money, your monthly payment will increase.

1 Monthly Mortgage Payments

This section shows your current monthly payment compared to your new payment for the upcoming year. Your monthly payment is composed of principle and interest, the escrow collection for taxes and insurance, and any additional collection that may be required to cover a shortage/deficiency in the escrow account. A change in the payment amount can occur if you have an adjustable rate mortgage, when tax and insurance payments are higher or lower than anticipated, or when a shortage/deficiency collection from the previous year expires.

Important! If your payment has changed and you make your payments through a bill-pay service, please be sure to update the payment amount.

2 Items to be Paid from Escrow Next Year

This is a summary of the tax and insurance items that we plan to pay from your escrow account over the next 12 months. It shows the type and number of payments, the number of months of cushion we are collecting (see # 4), the annual total for each payment type, and the escrow account collection that will be included in your new mortgage payment.

Annual Escrow Analysis Statement				
John and Jane Borrower 123 Elm St. Anyplace, GA 12345		Statement Date: 07/29/2011 Loan Number: 1234567890 Property Address: 123 Elm St. Anyplace, GA 12345		
1 Monthly Mortgage Payments				
Your monthly mortgage payment for the coming year will be \$1,288.54 of which \$1,000.00 will be for principal and interest and \$288.54 will be deposited into your escrow account.				
The terms of your loan may result in changes to the monthly principal and interest payments during the year.				
	Current Monthly Mortgage Payment(\$)	New Monthly Mortgage Payment as of 11/05/2011(\$)		
Principal and Interest	1,000.00	1,000.00		
Taxes and Insurance	253.81	271.17		
Shortage	0.00	17.37		
Total Payment	\$1,253.81	\$1,288.54		
2 Items to be Paid from Escrow Next Year				
This is the projected account activity for the coming year. For details, see the Projected Activity for Next Year section below.				
	Payments	Cushion Months	Annual Total(\$)	Monthly Collection(\$)
City Tax	1	2	648.09	\$ 54.01
County Tax	1	2	2,000.00	\$ 166.67
Homeowners Ins.	1	2	606.00	\$ 50.50
Totals			\$3,254.09	\$271.18

3 Projected Activity for Next 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.

Month	Payment Type	Payments to Escrow(\$)	Payments from Escrow(\$)	Escrow Balance(\$) Projected	Escrow Balance(\$) Required
Starting Balance:				\$439.72	\$648.10
Nov-2011	Deposit	271.17		710.89	919.27
Dec-2011	Deposit	271.17		982.06	1,190.44
	City Tax		648.09	333.97**	542.35**
Jan-2012	Deposit	271.17		805.14	813.52
Feb-2012	Deposit	271.17		876.31	1,084.69
Mar-2012	Deposit	271.17		1,147.48	1,355.86
Apr-2012	Deposit	271.17		1,418.65	1,627.03
May-2012	Deposit	271.17		1,589.82	1,898.20
Jun-2012	Deposit	271.17		1,960.99	2,169.37
Jul-2012	Deposit	271.17		2,232.16	2,440.54
Aug-2012	Deposit	271.17		2,503.33	2,711.71
Sep-2012	Deposit	271.17		2,774.50	2,982.88
Oct-2012	Deposit	271.17		3,045.67	3,254.05
	County Tax		2,000.00	1,045.67	1,294.05
Nov-2012	Homeowners Ins.		606.00	439.67	648.05
Totals		\$3,254.04	\$3,254.09	\$439.67	\$648.05
Ending Balance				\$439.67	\$648.05

4 **Lowest Projected Balance/Cushion Amount - Federal Law allows mortgage servicers to collect additional funds to act as a cushion to cover any shortfalls that may occur during the year due to changes in tax and/or insurance amounts or as a result of unanticipated disbursements. This reserve or cushion can be up to one-sixth of the total projected payments from escrow for the year.

5 Your ending balance from the last month of the Account History for Previous Period is **\$439.72**. Your starting balance according to this analysis should be **\$648.10**.

This means you have a shortage of **\$208.38**. This shortage may be collected from you over a period of 12 months 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.

6 We have decided to collect it over 12 months.

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

3 Projected Activity for Next Year

Starting Balance – The expected balance at the start of the next year based on the actual transactions for the current year and any payments into and out of the account that we anticipate being made before the end of the year.

Note: Federal law allows servicers to assume up to two months of payments.

Payments to Escrow – The anticipated deposits into your escrow account from the escrow portion of your monthly mortgage payment.

Payments from Escrow – Tax, insurance, and other payments that we anticipate making from your escrow account over the next 12 months. **Important:** Please contact us if you know of any bills that should be added to or removed from this section or if the amounts and/or due dates are incorrect.

Escrow Balance – The projected balance for each month and the projected ending balance for the analysis period based on the anticipated transactions.

4 Lowest Projected Balance/Cushion Amount

Federal law allows servicers to collect additional escrow as a cushion to cover any shortfalls that may occur during the year due to changes in tax and/or insurance amounts or as a result of unanticipated bills. The cushion amount is the target low-point balance for the escrow account over the course of the year.

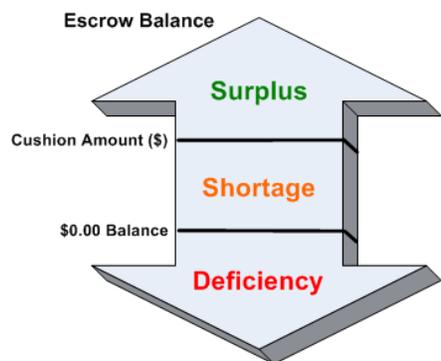
When comparing the actual escrow account balance to the starting balance required to maintain the allowed cushion amount, the escrow analysis may identify a surplus, a shortage, or a deficiency. Surpluses, shortages, and deficiencies typically occur when the actual tax and insurance payments differ from the estimates from the previous year.

The escrow analysis works as follows:

1. We add up the estimated amounts scheduled to be paid from your account and then divide the total by 12 months to determine the monthly collection amount.
2. Then, we analyze the projected balance for each month based on the starting balance, the monthly escrow collection amount, and the bills we anticipate paying.
3. Finally, we find the month with the lowest projected balance. If this low point is less than zero, the account has a deficiency; if it is less than the allowed cushion amount, the account has a shortage; and if it is greater than the cushion amount, the account has a surplus.

5 Surplus, Shortage, or Deficiency Explanation

A surplus is the portion of the projected escrow balance that is greater than the cushion amount, a shortage is the amount by which the escrow balance falls short of the cushion amount, and a deficiency is the amount by which the balance goes below zero. When the account has a deficiency, it will also have a shortage.



6 Surplus, Shortage, or Deficiency Repayment

The way we chose to address any surplus, shortage, or deficiency is printed on your statement and itemized under the Monthly Mortgage Payments section.

Surpluses – Amounts of \$50 or more are refunded to you with a check; surpluses of less than \$50 are applied to your future mortgage payments.

Shortages and deficiencies – are usually added to your mortgage payment and spread over two or more months of payments.

These adjustments bring your balance to the appropriate level to start the next year. If tax and/or insurance amounts have changed, there may also be a change in the monthly collection amount in order to pay for those items during the upcoming year.

7 Account History for Previous Period

This section shows the anticipated transactions from last year's escrow analysis compared to the activity that actually occurred in your account.

Depending on when we ran this analysis, we may have assumed up to two months of transactions. For example, if we ran the analysis prior to the due date for your final mortgage payment for the year, we assumed that you made the payment and included it in the analysis. Assumed transactions are marked with an "A".

Note: If your mortgage recently transferred to us from another servicer, the projected deposits and payments from your previous statement may not be available.

7 Account History for Previous Period

This is a comparison of the actual activity in your escrow account to what we projected on last year's escrow analysis for the period from 11/05/2010 through 11/04/2011.

Your monthly mortgage payment for the last year was **\$1,253.81** of which **\$1,000.00** was for principal and interest and **\$253.81** went into your escrow account.

Month	Payment Type	Payments to Escrow(\$)		Payments From Escrow(\$)		Escrow Balance(\$)	
		Projected	Actual	Projected	Actual	Projected	Actual
Starting Balance:						\$648.09	\$648.09
Nov-2010	Deposit	253.81	253.81			901.90	901.90
Dec-2010	Deposit	253.81	253.81			1,155.71	1,155.71
	City Tax			648.09	648.09	507.62	507.62
Jan-2011	Deposit	253.81	253.81			761.43	761.43
Feb-2011	Deposit	253.81	253.81			1,015.24	1,015.24
Mar-2011	Deposit	253.81	253.81			1,269.05	1,269.05
Apr-2011	Deposit	253.81	253.81			1,522.86	1,522.86
May-2011	Deposit	253.81	253.81			1,776.67	1,776.67
Jun-2011	Deposit	253.81	253.81			2,030.48	2,030.48
Jul-2011	Deposit	253.81	253.81			2,284.29	2,284.29
Aug-2011	Deposit	253.81	253.81			2,538.10	2,538.10
Sep-2011	Deposit	253.81	253.81			2,791.91	2,791.91
Oct-2011	Deposit	253.81	253.81			3,045.72	3,045.72
	County Tax			1,797.64	2,000.00*	1,248.08	1,045.72
Nov-2011	Homeowners Ins.			600.00	600.00*	648.08	439.72
Totals		\$3,045.72	\$3,045.72	\$3,045.73	\$3,254.00		
Ending Balance						\$439.72	

A - Indicates an assumed payment (not posted as of the statement date).

* - Indicates a difference from the projected date or amount.

Last year, we anticipated that payments from your account would be made during this period equaling **\$3,045.73**. Under Federal Law, your lowest monthly balance should not have exceeded **\$507.62**, or 1/6 of the total anticipated payments from your account, unless your mortgage contract or State law specifies a lower amount.

Your actual lowest monthly balance was less than **\$507.62**.

If there are any discrepancies with this statement, please contact us as soon as possible to allow time for any adjustments prior to your first payment due date.