LOAN SERVE
EST. 1999

5701 W. Expressay 83 Harlingen, TX 78552
Office (956)428-6607

Current Date | Reference Number: Your Loan #

Your Name
Your Address

For your protection, we will not give out any information on your account to anyone who is not on the account, unless we have a signed authorization request on file.

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT

What is an Escrow Account? An escrow account as it relates to your mortgage payment, is the taxes and insurances required for your property. Throughout the life of the loan, the servicer charges a monthly sum that is equal to 1/12 of the total yearly escrow charges that are to be paid out of the customer's account for the upcoming 12 months.

At least once a year, Loan Serve reviews your escrow account to ensure there is enough money available to pay your property taxes and insurance as applicable on your loan. The following information contained in this statement is to help you understand what was projected to happen versus what actually happened within the last escrow cycle and what we anticipate happening in the upcoming 12 months.

When performing this analysis, Loan Serve assumes that your loan is current and that you will make all scheduled mortgage payments by or before the effective date of the new payment. If you are not current at the time of the analysis, the new payment amount is not effective until you are current and you must continue to make the old payment amount until your due date is April, 2026. If you are not current and have a surplus, your surplus will not be returned to you until you are due for the current due date on your loan. Once that is reached, please call (956) 428-6607 Monday – Friday from 8:00 a.m. – 5:00 p.m. CT and request us to send you a check for your surplus.

COMPANY
Loan Serve 5701 W. Expressway 83 Harlingen TX 78552 (956) 428-6607

BORROWER
John Doe 1234 Fake St My Town, TX 71111

ACCOUNT NO.	ABC123DE4
STATEMENT DATE	3/13/2023

Example

NEW PAYMENT INFORMATION

If you have already received your billing statement, please adjust your bill to reflect the new payment amount reflected on this statement.

Principal and Interest	$1,122.81
Escrow Payment	$152.86
Shortage/Surplus	$50.18
Deficiency	$0.00
Other	$15.00
Payment Amount	$1,340.85
Effective Date	4/30/2023

If you use a 3rd party bill pay service to pay your monthly payment, you will need to update the payment amount effective with the April 2026 payment. Please keep in mind that Loan Serve. may not apply underpaid payment and a late charge may be assessed in accordance with your Note and security instrument.

If your payment is received for less than the new payment amount listed on your payment coupons it will be placed in a reserve account and the full amount will be applied to the account with the next payment received. This can cause your account to become delinquent and incur a late fee.

ESCROW ACCOUNT HISTORY

This section represents the last 12-month history on your loan by showing your loans escrow anticipated history versus actual escrow account history. Your statement represents an analysis of your account from 4/1/2025 through 3/31/2026. Please note that at the time this was performed, it's possible that not all scheduled payments have been received or all disbursements were made.

What is the difference between projected and actual activity?

Projected Activity is what Loan Serve had projected to occur at the time of your last escrow analysis based on the information that wea available at the time.

Actual Activity is what actually occurred in your escrow account since the last escrow analysis occurred.

comparison with the actual activity in your account at the end of the escrow accounting computation year.

ESCROW ACCOUNT HISTORY AND LAST YEAR'S PROJECTION

Month-Year	Payments to Escrow Account		Payments from Escrow		Description	Escrow Account Balance	
	Projected	Actual	Projected	Actual		Projected	Required
					Starting Balance	$467.86	$1,070.02
Apr-2025	152.86	152.86				$620.72	$1,222.88
May-2025	152.86	152.86				$773.58	$1,375.74
Jun -2025	152.86	152.86				$926.44	$1,528.60
Jul-2025	152.86	152.86				1,079.30	$1,681.46
Aug-2025	152.86	152.86				$1,232.16	$1,834.32
Sep-2025	152.86	152.86				$1,385.02	$1,987.18
Oct-2025	152.86	152.86		$1834.32	R12345	$(587.46)	$305.72
Nov-2025	152.86	152.86				$(434.60)	$458.58
Dec-2025	152.86	152.86				$362.83	$611.44
Jan-2026	152.86	152.86				$616.17	$764.30
Feb-2026	152.83	152.83				$869.51	$917.16
Mar-2026	152.86	152.86				$1,122.85	$1,070.02

What are some reasons for the difference to my payment?

Often the most common reason for the change is a decrease or increase in your property taxes or your homeowner insurance. If you believe the wrong amount is reflected, please first reach out to your taxing authority or insurance agent to ensure we have the proper bills to calculate your payment.

Anticipated Future Activity for the next 12 months

The table below illustrates anticipated payments into your escrow account and disbursements made from your escrow account over the upcoming 12 months.

ESCROW ACCOUNT PROJECTIONS FOR COMING YEAR

Month-Year	Payments to Escrow Account	Payments from Escrow Account	Description	Escrow Account Balance Projected	Required
			Starting Balance Total in Trust Ledger if account is current ----->	$467.86	$1,070.02
Apr-2023	$152.86		<----- Monthly Escrow based on the yearly tax amount	$620.72	$1,222.88
May-2023	$152.86			$773.58	$1,375.74
Jun-2023	$152.86			$926.44	$1,528.60
Jul-2023	$152.86		Example	$1,079.30	$1,681.46
Aug-2023	$152.86			$1,232.16	$1,834.32
Sep-2023	$152.86			$1,385.02	$1,987.18
Oct-2023	$152.86	$1,834.32	<------ Yearly Tax Amount Lowest Point ---->	($296.44)	$305.72

HOW WE CALCULATE YOUR SURPLUS OR SHORTAGE

- An escrow cushion is a required reserve amount set and cannot exceed 1/6th of your total annual escrow expenses. This amount should remain in your escrow account at all times.
- The required escrow balance (this is your starting balance) reflects what your escrow balance must be to ensure your account does not fall below the minimum required balance (escrow cushion) over the next 12 months.
- To determine the escrow surplus or shortage, subtract the amount at the lowest point on the projected column from the amount on the required column.

Escrow Payment Calculation

- Divide total annual expense by 12 to determine the unadjusted escrow payment. This is the base amount that must be paid into your escrow account each month to meet all expense obligations. Loan Serve does not allow for customers to buy down their escrow payment to lower than 1/12 of their annual escrow expenses.

Your Escrow Surplus

What is a surplus?

A surplus can also be known as an overage in your escrow account. This occurs when your escrow account has more funds than are required to pay your annual taxes and insurances. This can occur for several reasons. An insurance premium may have decreased from the prior year which means less funds are anticipated to be needed for the upcoming year. This same scenario may also apply for taxes; your property taxes may have decreased for a variety of reasons including new exemptions applied to your annual property taxes.

Your Surplus may be Refunded to you in the following ways:

1. If your surplus is less than $50, the funds are spread out over a period of 12 months reducing your payment.
2. If the amount is over $50, we will mail out a check within a reasonable time.
3. If your mortgage loan is more than 30 days past due at the time of this escrow analysis, your surplus will not be mailed to you until your mortgage is brought current. Once that is reached, please contact our office by calling (956) 428-6607 Monday – Friday from 8:00 a.m. – 5:00 p.m. CT and request us to send you a check for your surplus.

4. If the Loan is delinquent and in default, any surplus funds remaining in the escrow account after payment for real property taxes, insurance, and any other items for which Lender requires escrow payments, will be applied to unpaid late fees, unpaid interest or the outstanding balance of the Loan then due (including both principal and interest), up to, but not in excess of, the amount then due and required to bring the Loan current.

TAX ESCROW

1. Please be advised that the state, county, school district and irrigation taxing authorities have adjusted your taxes. The amount shown in the enclosed payment coupons reflect the new amount of your monthly tax escrow to be collected for current tax year.
2. It is your responsibility to make sure that the tax escrow collected is correct. It may not be enough to pay all the taxes at the end of the tax year.

CONTACT US:

Correspondence	Telephone	Hours of Operation	Online:
5701 W Expressway 83 Harlingen TX 78552	(956)428-6607	8:a.m. – 5:00 p.m. Monday-Friday	info@loanservecom Frances@loanserve.com Erika@loanserve.com nely@loanserve.com elizabeth@loanserve.com

Thank you,
Loan Serve