

On all mortgage loans with less than 20% down, you will be required to make monthly deposits for the future payment of real estate taxes, homeowners "hazard" insurance and flood insurance (if applicable). The initial deposit into your escrow account is made at closing and is based on an escrow analysis worksheet, which will be provided to you at closing.

If you have 20% down or more, you may request a waiver of the tax and insurance escrow on loans for principal residence. If the escrow waiver is approved, you may be required to pay a one-time fee depending on the loan program/rate quoted.

\*\*Please contact your Mortgage Advisor with any questions regarding your specific loan program requirements.

**ACKNOWLEDGEMENT**

- I/We have less than 20% down and understand that it is required that an escrow account for payment of taxes and insurance is maintained.
- I/We have 20% or more down and do hereby elect to maintain an escrow account for the payment of taxes and insurance.
- I/We have 20% or more down and do hereby request to waive an escrow account for the payment of taxes and insurance. I/We understand that if this request is approved, there may be a one-time fee depending on the loan program/rate quoted.

**NOTICE OF RIGHT TO DISCONTINUE ESCROW**

If your mortgage loan involves an escrow account for taxes and homeowner's insurance you may have the right, in five years, to discontinue the escrow account and pay directly for your taxes and homeowner's insurance. If you are eligible to discontinue the escrow account, your loan servicer will notify you in five years.

Certain institutions may be exempt from the provisions of this statute. Please contact your loan servicer with any questions and to confirm their specific policies regarding escrow account requirements.

The signature below acknowledges receipt of the notice regarding tax and insurance escrow account requirements and notice of right to discontinue escrow.

\_\_\_\_\_  
APPLICANT

\_\_\_\_\_  
DATE

\_\_\_\_\_  
APPLICANT

\_\_\_\_\_  
DATE