

		Annual Escrow Account Disclosure Statement					
		Page 2 of 4 JOHN A SAMPLE					
<div>3 YOUR ACCOUNT HISTORY</div>							
Below are the previous escrow projections (including anticipated escrow activity that may occur before your New Payment Effective Date listed on page 1) and the actual escrow activity to date. Comparing the two can determine where a difference may have occurred.							
Activity Summary							
Month & Year	Projected Payment to Escrow	Actual Payment to Escrow	Description	Projected Disbursement	Actual Disbursement	Projected Balance	Actual Balance
			Beginning Balance			\$3,344.85	\$983.89
Jan 2022	\$481.24	\$494.45 *	County Tax	\$861.55	\$854.32 *	\$2,964.54	\$624.02
Jan 2022			Hazard Ins	\$973.30	*	\$1,991.24	\$624.02
Feb 2022	\$481.24	\$1,855.91 *	Flood Ins	\$1,510.00	*	\$962.48	\$2,479.93
Feb 2022			Hazard Ins		\$1,468.20 *	\$962.48	\$1,011.73
Mar 2022	\$481.24	\$494.45 *	Hazard Ins		\$37.00 *	\$1,443.72	\$1,469.18
Apr 2022	\$481.24	\$867.01 *	County Tax	\$735.88	\$854.32 *	\$1,189.08	\$1,481.87
May 2022	\$481.24	\$494.45 *				\$1,670.32	\$1,976.32
Jun 2022	\$481.24	\$494.45 *				\$2,151.56	\$2,470.77
The total amount of escrow payments received during this period was \$4,700.72 and the total escrow disbursements were \$3,213.84.							
*Indicates a difference from a previous estimate either in the date or the amount of the deposit/disbursement.							
Borrower Paid Mortgage Insurance Premium: Your mortgage loan requires a borrower paid mortgage insurance premium ("MIP"). MIP is insurance from the Federal Housing Administration ("FHA") that protects lenders against loss in the event a borrower defaults on a mortgage.							
Effective for all loans closed on or after January 1, 2001, FHA annual MIP will be automatically cancelled under the following conditions:							

4 PROJECTED ESCROW PAYMENTS OVER THE NEXT 12 MONTHS**Anticipated Annual Disbursements**

County Tax:	\$3,402.83
Hazard Ins:	\$1,468.20
Flood Ins:	\$1,621.00
Total:	\$6,492.03

As allowed by federal law (RESPA), our projections include an escrow reserve (or cushion) equal to two monthly escrow payments (excluding MIP/PMI), unless state law specifies a lower amount.

5 Projected Escrow Balance Summary

M&T Bank expects to pay \$6,492.03 over the next 12 months. Here's how to calculate your new monthly escrow payment:

Total taxes and insurance:	\$6,492.03
Divided by 12 monthly payments:	\$541.00

New Monthly Escrow Payment: \$541.00

6 Anticipated Activity Summary

Projections for the coming year: The following summary shows anticipated activity in your escrow account for the next 12 months, which was used to calculate your payment above.

Month & Year	Monthly Escrow Payment	Amount Scheduled to be Paid	Description	Projection Based on Current Balance	Projection Based on Required Balance
			Beginning Balance	\$2,470.77	\$2,391.72
Jul 2022	\$541.00	\$883.45	County Tax	\$2,128.32	\$2,049.27
Aug 2022	\$541.00			\$2,669.32	\$2,590.27
Sep 2022	\$541.00			\$3,210.32	\$3,131.27
Oct 2022	\$541.00	\$810.74	County Tax	\$2,940.58	\$2,861.53
Nov 2022	\$541.00			\$3,481.58	\$3,402.53
Dec 2022	\$541.00			\$4,022.58	\$3,943.53
Jan 2023	\$541.00	\$854.32	County Tax	\$3,709.26	\$3,630.21
Jan 2023		\$1,468.20	Hazard Ins	\$2,241.06	\$2,162.01
Feb 2023	\$541.00	\$1,621.00	Flood Ins	\$1,161.06	\$1,082.01
Mar 2023	\$541.00			\$1,702.06	\$1,623.01
Apr 2023	\$541.00	\$854.32	County Tax	\$1,388.74	\$1,309.69
May 2023	\$541.00			\$1,929.74	\$1,850.69
Jun 2023	\$541.00			\$2,470.74	\$2,391.69

7 Escrow Requirements, New Mortgage Payment and Anticipated Annual Disbursements:

Projected Beginning Balance	\$2,470.77
- Required Minimum Balance	\$2,391.72
Surplus Amount	\$79.05

Your lowest monthly escrow balance for the next 12 months should reach \$1,082.01, which equals a total of two months' escrow payments. To reach this balance, your required escrow amount after your new payment is \$1,082.01, whereas your current balance is \$2,470.77. The difference is \$1,388.76, which is the amount of money in your escrow account.

4 Annual disbursements of items scheduled to be paid from your escrow account over the next 12 months.

5 Balance summary showing how your escrow payment is calculated. Our projections include the allowable escrow reserve (or cushion) which is used for unforeseen increases.

6 Projections with the scheduled dates of your taxes/insurance payments for the coming year, along with a running balance as those items are paid.

7 Calculation summary of your new total escrow payment based on the sections above.

8 Helpful information with answers to many frequently asked questions.

8**Helpful information about your mortgage escrow disclosure statement.**

To help you better understand your statement, as well as escrow accounts in general, answers to some of the most frequently asked questions are listed below.

Q Why am I getting this statement?

A Mortgage lenders are required by regulations to perform an annual review of your account and provide a hard copy statement for your records.

Q How does an escrow account work?

A A mortgage escrow account allows you to pay ongoing property tax and homeowner's insurance costs within your monthly mortgage payments. These additional funds accumulate in your escrow account, managed by M&T, and we pay property taxes, homeowner's insurance and any mortgage insurance on your behalf when they are due.

Q How is my escrow payment determined?

A To determine the appropriate funds are collected for the escrow portion of your payment, we use the following calculation:

$$\frac{12 \text{ months of anticipated escrow payments, accounting for any existing escrow balance} + \text{escrow reserve}}{\div 12} = \text{monthly escrow payment}$$

The escrow reserve (or escrow cushion) is the amount of money collected to cover any unanticipated increases in your real estate tax or insurance premium payment. It acts as a buffer and helps to prevent your escrow account from being overdrawn. An escrow reserve exists on your account unless your mortgage documents or state law applies and is generally a

TIP: Municipalities offer a few common tax exemptions for disability, homestead, senior and veteran status. Check with your local tax office to see if you are eligible for these, or any other exemptions.

Q If there is an escrow shortage, what do I need to do?

A You are not required to pay the escrow shortage in full.

If you do not want to submit the full shortage amount, the escrow shortage will be spread equally over 12 months of payments and your new payment will be higher for the coming year.

If you choose to submit the full shortage amount (partial payments are not permitted), you have two payment options:

- **Online:** Log in to your M&T Online or Mobile Banking account, select your mortgage account and click the "View My Mortgage Info" button. At the top left of the next screen, select "Make A Payment." Your mortgage loan must be current to use this option.

- **By Mail:** Send a check, made payable to M&T Bank with "escrow shortage payment" and the loan number noted on the memo line, to: M&T Bank, Escrow Department, P.O. Box 64787, Baltimore, MD 21264-4787. If you are paying your escrow shortage, the funds will be applied immediately, however your mortgage statement may not reflect changes until the analysis effective date.

PLEASE NOTE: Paying the full shortage amount will adjust your account resulting in the smallest possible