

ESCROW ACCOUNT DISCLOSURE STATEMENT

2-838-03690-0000132-001-000-000-000-000

SAI NEHA PATHIPATI
9916 HENNINGS ST
IRVING TX 75063-0085

Account Information	
Statement date	2/28/2024
Account number	1003258924
Property address	9916 HENNINGS ST IRVING TX 75063
New payment amount	\$3,662.30
New payment effective date	05/01/2024

We have reviewed your escrow account. Here's what we found.

We review your escrow account at least annually to help ensure your monthly mortgage payment will cover your escrowed items such as property taxes and/or insurance, as the cost of these items may change over time.

This statement details the amount we paid on your behalf over the past 12 months, our estimate for the next 12 months, and any resulting changes to your mortgage payments.

Your escrow account has a shortage of **\$647.69**.

We love making homeownership easy.

Questions? We're here to help!



Message with our team members at CHLServicing.com or via the Cornerstone Home Lending app.



Call Cornerstone Customer Care at 866.500.0756.



For a deep dive into all things escrow, find resources at CHLServicing.com or scan this QR code:



Part 1: Upcoming change to your mortgage payment

Due to changes in your escrow account activity, detailed in Parts 4 and 5, your account has a shortage and your monthly mortgage payment will increase effective May 1, 2024. This section summarizes how we calculated your shortage and new mortgage payment, with detailed breakdowns on pages that follow. If you would like to explore alternative options for your shortage repayment, contact Cornerstone Customer Care at 866.500.0756.

NOTE: If your account is set up with autopay (recurring ACH drafts), your settings will automatically update with your new payment amount. If you make your mortgage payments through a third-party entity (e.g. bank, government allotment, biweekly, or bill-pay service), you will need to update your autopay settings with the new amount.

Your escrow shortage	
Due to changes in your escrow account activity, we expect your balance to fall below your minimum required balance in the coming year. Detailed in Part 5, the difference shows your shortage.	
Estimated low balance	\$ 1,045.64
Min. Required Balance	- \$ 1,693.33
Shortage	\$ 647.69

Shortage spread across 12 months	
Your escrow account shortage of \$647.69 will be automatically spread across your payments for 12 months, adding \$53.97 to each payment.	
Annual shortage	\$ 647.69
+ 12 months	÷ 12
Shortage repayment	\$ 53.97

Your new monthly mortgage payment	
Adding your shortage repayment and new escrow payment (including the change) to your principal and interest payment gives you a new monthly payment of \$3,662.30.	
Principal and interest	\$ 2,616.76
Escrow payment	\$ 991.57
+ Shortage payment	+ \$ 53.97
New total payment	\$ 3,662.30

Part 2: Escrow expense breakdown

ANNUAL	Expected	Change	Actual
Property Taxes	\$ 0.00	↑	\$ 9,364.95
Insurance	\$ 0.00	↑	\$ 795.00
Mortgage Insurance	\$ 0.00	↑	\$ 1,883.70
Annual total	\$ 0.00	↑	\$ 12,043.65

Part 3: Mortgage payment breakdown

MONTHLY	Current	New
Principal and interest	\$ 2,616.76	\$ 2,616.76
Escrow payment	\$ 957.91	\$ 991.57
Shortage repayment		\$ 53.97
Total payment	\$ 3,574.67	\$ 3,662.30

Note: Your current monthly escrow payment also includes your prior escrow account shortage repayment of \$0.00.

Note: Your escrow payment is included in your monthly mortgage payment (see Part 3).

Part 4: Your escrow account history for the review period

This chart compares actual activity to what was originally expected and traces your account balance throughout the reporting period. The actual amounts paid out of your escrow account are used as the basis for the estimates over the upcoming reporting period, detailed in Part 5 below.

REPORTING PERIOD: March 2023 – April 2024

Date	Expected payment to escrow	Your actual payment to escrow	What we expected to pay out	What we actually paid out	Description	Escrow account balance	
						Expected	Actual
					Starting balance	\$ 0.00	\$ 3,228.05
Apr-23		\$ 1,915.82		\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 4,998.97
May-23		\$ 957.91		\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 5,811.98
Jun-23				\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 5,667.08
Jul-23		\$ 1,915.82		\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 7,438.00
Aug-23		\$ 957.91		\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 8,251.01
Sep-23		\$ 957.91		\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 9,064.02
Oct-23		\$ 2,873.73		\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 11,792.85
Nov-23				\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 11,647.95
Nov-23				\$ 4,146.56	SCHOOL TAX	\$ 0.00	\$ 7,501.39
Dec-23				\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 7,356.49
Dec-23				\$ 5,218.39	COUNTY TAX	\$ 0.00	\$ 2,138.10
Jan-24		\$ 1,915.82		\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 3,909.02
Jan-24				\$ 795.00	OTHER/WIND INS	\$ 0.00	\$ 3,114.02
Feb-24				\$ 144.90	HUD OR PMI DISB	\$ 0.00	\$ 2,969.12
Mar-24				\$ 144.90 *	HUD OR PMI DISB	\$ 0.00	\$ 2,824.22 *
Apr-24		\$ 957.91 *		\$ 144.90 *	HUD OR PMI DISB	\$ 0.00	\$ 3,637.23 *
Totals	\$ 0.00	\$ 12,452.83	\$ 0.00	\$ 12,043.65	Ending balance	\$ 0.00	\$ 3,637.23

* Indicates this activity had not occurred as of the date of this analysis, but is estimated to occur as shown.

Part 5: Expected escrow account activity over the next year

Based on the table below, we calculated your escrow shortage as follows:

- Your Minimum Required Balance of **\$1,693.33**, which provides a cushion to cover unexpected increases in your taxes and/or insurance, is required by the Real Estate Settlement Procedures Act (RESPA), your mortgage contract or state law.
- The lowest balance in your escrow account over the next 12 months, highlighted below, is estimated to be **\$1,045.64** in December 2024. This estimate is based on your actual escrow expenses shown in Part 4 (see "What we actually paid out" column).
- The difference between your estimated low balance and Minimum Required Balance shows your escrow account has a shortage of **\$647.69**.

UPCOMING REPORTING PERIOD: May 2024 - April 2025

Date	Your payment to escrow	What we expect to pay out	Description	Starting balance	Estimated balance	Required balance
				\$ 3,637.23	\$ 4,284.92	
May-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 4,483.90	\$ 5,131.59	
Jun-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 5,330.57	\$ 5,978.26	
Jul-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 6,177.24	\$ 6,824.93	
Aug-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 7,023.91	\$ 7,671.60	
Sep-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 7,870.58	\$ 8,518.27	
Oct-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 8,717.25	\$ 9,364.94	
Nov-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 9,563.92	\$ 10,211.61	
Dec-24	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 10,410.59	\$ 11,058.28	
Dec-24		\$ 5,218.39	COUNTY TAX	\$ 5,192.20	\$ 5,839.89	
Dec-24		\$ 4,146.56	SCHOOL TAX	\$ 1,045.64	\$ 1,693.33	
Jan-25	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 1,892.31	\$ 2,540.00	
Feb-25	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 2,738.98	\$ 3,386.67	
Feb-25		\$ 795.00	OTHER/WIND INS	\$ 1,943.98	\$ 2,591.67	
Mar-25	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 2,790.65	\$ 3,438.34	
Apr-25	\$ 991.57	\$ 144.90	HUD OR PMI DISB	\$ 3,637.32	\$ 4,285.01	
Totals	\$ 11,898.84	\$ 11,898.75		Ending balance	\$ 3,637.32	\$ 4,285.01

Shortage calculation

Estimated low balance	\$ 1,045.64
Min. Required Balance	\$ 1,693.33
Shortage	\$ 647.69

Frequently Asked Questions

What is an escrow account?

Your escrow account allows Cornerstone, as your loan servicer, to pay your required property taxes and/or insurance for you on your behalf when they are due. Each month, we allocate a portion of your mortgage payment to your escrow account to cover the estimated cost of your escrowed items, which may include property taxes, homeowner's insurance, mortgage insurance (if required by investor), and/or flood insurance.

What are the advantages of having an escrow account?

Having an escrow account can save you time and make homeownership easier. We fully manage the account for you, paying for escrowed items on your behalf when they are due and analyzing payments going into and out of your escrow account to ensure there will be enough money to cover your escrowed items. Having an escrow account also helps you budget for large expenses tied to your property, giving you peace of mind.

How can I see my escrow account payments and other details?

You can access your escrow account information 24/7 on our website, [CHLServicing.com](https://www.chlservicing.com), or on the Cornerstone Home Lending app for Apple and Android. Questions? Send us a secure message via the website or app, or call Cornerstone Customer Care at 866.500.0756.

What is an escrow analysis?

We review your escrow account annually and inform you of any changes to your expenses and/or changes to your monthly payments. We detail our review in your annual Escrow Account Disclosure Statement, which includes:

- If applicable, summary of upcoming changes to monthly mortgage payment and how they were calculated
- Itemized comparison of actual escrow expenses to what was expected
- Itemized comparison of current monthly mortgage payment to new monthly mortgage payment
- Escrow account history tracing all payments to and from your escrow account and your balance
- Expected escrow activity in the next 12 months and, if applicable, an explanation of how we calculated the shortage or surplus in your account

How is my escrow payment determined?

When your loan was originated, your tax payments and/or insurance premiums were determined before your loan closed using the most recent tax and/or insurance amounts paid on the property. If your home was newly constructed, your estimate may have been based on taxes paid for the property before improvements were made.

Annually thereafter, your escrow payment will equal the expected total cost of your taxes and/or insurance premiums for the upcoming 12 months, which is calculated based on the actual cost of these items in the prior 12 months. If an official notice of an amount change for the upcoming year is issued by a taxing authority or insurance provider, your escrow payment will reflect the new amount. If your prior escrow analysis found a shortage, your current monthly escrow payment may also include a shortage repayment to help ensure your escrow account has enough funds to cover your escrow expenses in the present year.

Why did my escrow payment change?

Changes in the cost of your escrowed items may lead to a change in your escrow payment. Reasons may include:

- **Homeowner's insurance:** Changes to the type, extent, due date, or rate of your insurance coverage, or if you made changes to your insurance policy or company.
- **Real estate taxes:** Your property may have been reassessed or the tax rate may have changed. Expected tax payment timeframes may change per your local authority as well.
- **New construction:** Typically, the first tax bill for new property is based on a partial assessment for the lot/land. We may have received a bill for the fully assessed value which includes the land and home.
- **Initial escrow deposit:** The cost of your escrowed items may be estimated at loan closing if information is not available. If the amount collected for the set-up of your escrow account was more or less than the actual tax and/or insurance bills received, your monthly mortgage payment will change based on those amounts.
- **Escrow account shortage:** Your escrow account balance at its expected lowest point for the next 12 months is below your Required Minimum Balance, which serves as a cushion to help ensure you have enough funds in your account to cover unexpected increases in your escrowed items. A shortage may occur when the cost of your escrowed items change. Your shortage will be automatically spread across your payments for the next 12 months, increasing your monthly escrow payment.

How is the lowest estimated balance point determined?

The lowest monthly escrow balance estimated during the year, also known as your expected low point, is determined based on your starting balance, the amount of your monthly escrow payments, and the estimated cost of your escrowed items in the coming year.

Why is there a minimum balance requirement?

Your Minimum Required Balance, also known as a cushion, helps ensure your escrow account has enough money to pay for unexpected increases in your tax and/or insurance. The Minimum Required Balance is required by the Real Estate Settlement Procedures Act (RESPA), your mortgage contract or state law. When you pay off your loan, funds held in your escrow account as a cushion will be refunded.

My escrow account has a shortage. Why?

Reasons you do not have enough money in your escrow account to meet the minimum balance may include:

- Increase in property taxes and/or insurance premiums
- Your taxes were reassessed
- Change in your insurance provider(s)
- Change in the due date of your property taxes and/or insurance premiums
- Your payments into your escrow account were fewer or less than expected
- Starting escrow balance for the upcoming year is lower than expected due to higher payouts the prior year

What do I need to do if I have a shortage?

Your shortage will automatically be spread across your payments for the next 12 months to help ensure your escrow account has enough money to pay for your escrowed items. It is important to note your new monthly mortgage payment amount and effective date (see Parts 1 and 3 of this statement) so you can adjust your payment accordingly. If your Cornerstone account is set up with autopay (recurring ACH drafts), your settings will automatically update with your new payment amount. If you make your mortgage payments through a third-party entity (e.g. bank, government allotment, biweekly, or bill-pay service), you will need to update your payment settings with the new amount. To explore alternative options for your escrow account shortage please message Cornerstone Customer Care at [CHLServicing.com](https://www.chlservicing.com), via the Cornerstone Home Lending app, or call 866.500.0756.

Can I prevent a shortage from occurring?

While a shortage may not be preventable, you can minimize the impact of a shortage by keeping up with your escrow account activity at [CHLServicing.com](https://www.chlservicing.com) or via the Cornerstone Home Lending app. Compare any payments made from your account to what was expected in your annual escrow analysis. If payments were higher than expected, you can opt to make an additional payment to help lower or prevent a shortage the following year.

Who do I contact if I have questions?

- **Taxes:** Contact your local assessor's office.
- **Insurance premiums:** Contact your local insurance agency.
- **Escrow or account information:** Message Cornerstone Customer Care at [CHLServicing.com](https://www.chlservicing.com) or via the Cornerstone Home Lending app, or call 866.500.0756 Monday through Friday from 6:00 a.m. - 6:00 p.m. MT and Saturday from 8:00 a.m. - 12:00 p.m. MT.

Required Legal Information and Disclosures

Bankruptcy Information

IF YOU ARE A CUSTOMER IN BANKRUPTCY OR A CUSTOMER WHO HAS RECEIVED A BANKRUPTCY DISCHARGE OF THIS DEBT: PLEASE BE ADVISED THAT THIS NOTICE IS TO INFORM YOU OF THE STATUS OF THE MORTGAGE SECURED BY THE SUBJECT PROPERTY. THIS NOTICE CONSTITUTES NEITHER A DEMAND FOR PAYMENT NOR A NOTICE OF PERSONAL LIABILITY TO ANY RECIPIENT HEREOF, WHO MIGHT HAVE RECEIVED A DISCHARGE OF SUCH DEBT IN ACCORDANCE WITH APPLICABLE BANKRUPTCY LAWS OR WHO MIGHT BE SUBJECT TO THE AUTOMATIC STAY OF SECTION 362 OF THE UNITED STATES BANKRUPTCY CODE. IF YOU RECEIVED A DISCHARGE OF THE DEBT IN BANKRUPTCY, WE ARE AWARE THAT YOU HAVE NO PERSONAL OBLIGATION TO REPAY THE DEBT. WE RETAIN THE RIGHT TO ENFORCE THE LIEN AGAINST THE COLLATERAL PROPERTY, WHICH HAS NOT BEEN DISCHARGED IN YOUR BANKRUPTCY, IF ALLOWED BY LAW AND/OR CONTRACT.

Debt Collection Notice

TO THE EXTENT THE FAIR DEBT COLLECTION PRACTICES ACT (FDCPA) AND/OR STATE DEBT COLLECTION LAWS ARE APPLICABLE, PLEASE BE ADVISED THAT THIS COMMUNICATION IS FROM A DEBT COLLECTOR AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Cornerstone Home Lending registered address:
10800 E Geddes Ave | Suite 100 | Englewood, CO 80112
NMLS # 2242067


Designated Address

Notices of Error, Qualified Written Requests, and Information Requests must be sent to the designated address at PO Box 3398 Englewood, CO 80155

Credit Reporting

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report. As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

Cornerstone Home Lending, a Division of Cornerstone Capital Bank, SSB.

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