

# Guide to Your Annual Escrow Account Disclosure Statement with Shortage

**OLD NATIONAL BANK**  
P.O. Box 3789  
Evansville, IN 47736-3789

001361  
BORROWER NAME  
CO-BORROWER NAME  
1234 MAILING ADDRESS  
CITY, ST 99999-9999

**1 ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT**

Analysis Date: 09/16/21  
Loan Number: 000000000  
Mortgagor Name: BORROWER NAME  
Co-mortgagor Name: CO-BORROWER NAME

Online Information: www.oldnational.com  
Log in to: Online Banking  
Email: mortgagecustomerservice@oldnational.com

Mon-Fri, 8:00am to 4:30pm CST  
Escrow Department: 1-812-468-1800, Option 1

**2**

Each year Old National Bank reviews your escrow account to ensure sufficient funds will be available to pay escrow items when due. Some details related to your account are outlined below.

**3 What is the amount of my new monthly payment starting November 01, 2021?**

Payment Items	Current Payment	New Payment	Difference
Principal and Interest	\$1,812.44	\$1,812.44	\$0.00
Escrow	\$13.62	\$42.86	29.24
<b>Total Payment</b>	<b>2,426.06</b>	<b>2,455.30</b>	<b>29.24</b>

**Note:** If you currently use a third party bill pay service to make automatic payments, please update the amount scheduled for submission in November to reflect the new payment listed above. This new amount will automatically take effect with your November draft if you are currently set up on Electronic Funds Transfer (ACH) draft with Old National Bank.

**4 What are the most common reasons that my escrow payment may change from year to year?**

**A. Increases or Decreases in Amounts Billed** – The amount collected each month to be held in your escrow account may change based on increases or decreases to your property taxes, homeowner's insurance or mortgage insurance premiums. The information below compares the amounts Old National Bank expected to pay this past year for each item from your escrow account to the actual amounts that were paid. The difference column reflects the increase or decrease for each escrowed item.

Escrowed Item	Expected Amounts Due	Actual Amounts Due	Difference
HOMEOWNERS I	\$2,377.00	\$2,393.00	\$16.00
PMI	\$1,337.28	\$1,337.28	\$0.00
TOWN 1ST	\$2,713.96	\$2,735.57	\$21.61
TOWN 2ND	\$3,336.27	\$3,421.75	\$86.49
<b>Total Annual Escrow Payments</b>	<b>\$9,763.51</b>	<b>\$9,887.61</b>	<b>\$124.10</b>
<b>Monthly Escrow Payments</b>	<b>\$813.62</b>	<b>\$823.97</b>	<b>\$10.35</b>

**5 Repayment of Escrow Shortage or Overage** - According to the projections shown in Table 1 on the reverse side, your escrow account will fall below the minimum required balance of \$1,425.06 in December. This results in a **shortage of \$226.66** in your escrow account.

Projected Low Escrow Balance	Minimum Required Escrow Balance	Shortage
\$1,198.40	minus \$1,425.06	equals (\$226.66)

**6 Please write your loan number on your check and mail this portion with your payment.**

**ESCROW SHORTAGE COUPON**

Loan Number: 000000000  
Name: BORROWER NAME  
CO-BORROWER NAME  
Shortage Amount: \$226.66

The total shortage has been divided over 12 months and \$18.89 will automatically be added to your monthly payment beginning November 01, 2021.

**7**

BORROWER NAME  
CO-BORROWER NAME  
NEW PAYMENT EFFECTIVE DATE: November 01, 2021  
Loan Number: 000000000

**COMING YEAR ESCROW ACCOUNT PROJECTIONS AND ACTIVITY HISTORY**

**TABLE 1 - CURRENT YEAR ACCOUNT PROJECTIONS**

Month by month estimate of the activity we anticipate will occur in your escrow account over the next 12 months. This table shows the projected low balance point that is used to calculate an escrow shortage or surplus.

Month	Description	Payments Estimate	Disbursements Estimate	Total Balance	Minimum Required	Difference
	Beginning Balance			\$5,588.10		
November	PMI	823.97	111.44	6,300.63	1,425.06	4,875.57
December	PMI	823.97	111.44	7,013.16	1,425.06	5,588.10
December	TOWN 2ND	0.00	3,421.76	3,401.40	1,426.06	2,166.34

**8 Annual Notice to Customers with Private Mortgage Insurance Circumstances Under Which PMI May be Dropped**

Your mortgage loan requires Private Mortgage Insurance (PMI). PMI protects lenders and others against financial loss when borrowers default. Charges for this insurance are added to your loan payments. Under certain circumstances, federal law gives you the right to cancel PMI or requires that PMI automatically terminate. Cancellation or termination of PMI does not affect any obligation you may have to maintain other types of insurance.

For loans closed on or after July 29, 1999, PMI must be terminated by the lender as follows:

**I. Borrower Requested Cancellation.** The borrower must submit a request in writing to the lender to begin cancellation. The lender must cancel PMI coverage if the following conditions are met:

- Cancellation Point Based on Original Value - The principal balance of the loan must be 80% or less of the original value of the property. Original value is defined as the lesser of the sales price of the property as reflected in the contract or the appraised value at the time the mortgage transaction was consummated.

- 1 Statement Description**  
Shows the type of statement as well as the date your statement was generated.
- 2 Available Resources**  
Have questions about your loan? Visit us online, call or mail and we will be happy to assist.
- 3 New Monthly Payment**  
Explanation of the differences between your Current Payment and your New Payment.
- 4 Explanation of Escrow Payment Changes**  
Comparison of the amounts Old National Bank is expected to pay this year for each item from your escrow account to the actual amounts that were paid.
- 5 Repayment of Escrow Shortage or Overage**  
Snap shot of the shortage in your escrow account.
- 6 Escrow Shortage Coupon**  
Coupon explaining the options you have to repay your escrow shortage including automatically adding the shortage to your monthly payments or using the attached coupon to repay the escrow shortage in full.
- 7 Tables**  
Details your coming year escrow account projections and activity history.
- 8 Annual Notice**  
Annual Private Mortgage Insurance (PMI) notice discloses important information about your loan account including circumstances under which you can drop your PMI.