

# ESCROW OR IMPOUND ACCOUNTS

An escrow account, also called an “impound” account in some states, is an account that is used to pay taxes and insurance on your behalf and may be required when you take out a mortgage loan.

## Do I Have to Have an Escrow Account?

Escrow accounts may be required for various reasons, such as:

- The investor that owns your note requires you to have an escrow account
- Your loan was made as part of a government program for which escrow accounts are required
- Federal law requires an escrow account for your loan

***Because an escrow account may be required for your type of loan, you may not be able to cancel it!***

## How Does an Escrow Account Work?

You will make an initial deposit into your escrow account when you take out your loan. Then you will make payments into your account as part of the **Regular Monthly Payment** that is shown on your monthly billing statement. The funds in your account will then be used to pay property taxes, hazard insurance premiums, and flood insurance premiums (if required) on your behalf for the home that secures your loan.

You will also receive detailed information about your escrow account in an **Escrow Account Disclosure Statement** that will be sent to you at least annually.

To find out more about your escrow account, or determine if you can cancel it, please contact us at [CustomerCare@nafinc.com](mailto:CustomerCare@nafinc.com) or (800) 893-5304.

**newamerican FUNDING**  
For Return Service Only  
P.O. Box 170581  
Austin, TX 78717-0031

000001  
Jane Smith  
759 Main Street  
Los Angeles, CA

Property Address:  
759 Main Street  
Los Angeles, CA

Statement Date: June 02, 2016

**MORTGAGE STATEMENT**

Online Information: [www.newamericanfunding.com](http://www.newamericanfunding.com)  
Click "MANAGE MY LOAN"

Mon - Fri 8:00 am to 9:00 pm CT  
Telephone: 1-800-893-5304  
Fax: 800-880-0639  
Sat 10:00 am to 2:00 pm CT  
TTY/TDD: 1-844-249-9633

Correspondence  
PO Box 170581  
Austin, TX 78717-0031

Loan Number: 07/01/2016  
Next Payment Due Date: 07/01/2016  
Total Amount Due: \$684.21  
\$31.13 late fee will be charged if payment is not received in our office by 07/16/2016.

Account Information	
Loan Due Date	07/01/2016
Outstanding Principal	\$122,687.37
Escrow Balance	\$694.82
Interest Rate	4.125%
Prepayment Penalty	No

Explanation of Amount Due	
Principal	\$200.55
Interest	\$421.74
Escrow (Taxes and Insurance)	\$61.92
Regular Monthly Payment	\$684.21
Total Fees and Charges	\$0.00
Past Due Payment(s)	\$0.00
Total Amount Due	\$684.21

Transaction Activity (04/01/16 - 06/02/16)								
Date Paid	Description	Principal	Interest	Escrow	Additional Monthly Amount	Charges and Fees	Partial Payment (Unapplied)	Total
06/02/16	PAYMENT RECEIVED	\$199.87	\$422.42	\$256.55	\$0.00	\$0.00	\$0.00	\$0.00