


Understanding your annual mortgage escrow statement.

We know it's important that your mortgage escrow statement should be clear and easy-to-understand. That's why we've provided a sample statement below with a helpful overview of where you can locate information on your statement about your account, taxes and insurance.

If you have additional questions, we'll be happy to help. Just call 1-800-411-7627 Monday–Friday, 8:30am–8:00pm.

Go paperless! Receive your statements electronically for convenient, streamlined banking and peace of mind. Sign up at mtb.com/estatemts.



RETURN SERVICE ONLY
Please do not send mail to this address
P.O. Box 619063
Dallas, TX 75261-9063

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**ANNUAL ESCROW ACCOUNT
DISCLOSURE STATEMENT**

1 CONTACT US

Customer Service: 1-800-411-7627
Property Tax: 1-866-406-0949
Property Insurance: 1-888-882-1847
Home Purchase or Refinancing: 1-800-479-1992
NMLS #381076

Correspondence Address:
PO BOX 1288
BUFFALO, NY 14240-1288
<https://onlinebanking.mtb.com>

Loan Number: 0123456789
Property Address: 123 STREET NAME
CITY STATE ZIP CODE
Statement Date: 04/14/21

THIS IS NOT YOUR BILL.
FOR ILLUSTRATION PURPOSES ONLY.

Dear Customer,

As your mortgage partner, we strive to exceed your servicing expectations. We are providing you with the following review to ensure there is enough money available in your account to cover any upcoming property tax and/or homeowners insurance payments. Please refer to our Frequently Asked Questions, page 4, or call one of the appropriate customer service numbers referenced above with any questions or concerns.

Based on our review, you do not have enough money in your escrow account. Your payment is changing.

This escrow shortage was caused by changes in your taxes, insurance or escrow payments. Your Account History, page 2, shows what has already happened on your account. To see what we anticipate happening with your account over the next 12 months, turn to Projected Escrow Payments, page 3.

2 Your New Payment

We will spread your escrow shortage of \$710.35 over the next 12 months.

Payment Information	Current Monthly Payment	Pay Shortage Over 12 months beginning on 06/01/21
Principal & Interest:	\$408.19	\$408.19
Escrow Payment:	\$284.87	\$330.25
Escrow Shortage:	\$0.00	\$59.20
Total Payment:	\$693.06	\$797.64

1 CONTACT US: Here you'll find how to contact M&T if you have questions about your escrow account.

2 PAYMENT INFORMATION: Check this section for the breakdown of your mortgage payment after your escrow account analysis has been completed, as well as the date the new payment goes into effect.

3 PAYMENT HISTORY: Details deposits and payments made from your escrow account over the past 12 months, which may explain changes to the escrow portion of your payment.

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3 Your Account History**

By comparing the actual escrow activity with the previous projections listed, you can determine where a difference may have occurred. If you have any questions about this statement, please call our Customer Service Department toll free at 1-800-411-7627.

Month	Projected Payment to Escrow	Actual Payment to Escrow	Description	Projected Disbursement	Actual Disbursement	Projected Balance	Actual Balance	
Beginning Balance							\$1,843.01	\$1,027.88
Jun 20	\$284.87	\$286.46 *	Mtg INS PMI	\$42.04	*	\$2,085.84	\$1,314.34	
Jun 20			Mtg INS PMI		\$42.04 *	\$2,085.84	\$1,272.30	
Jul 20	\$284.87	\$284.87	Mtg INS PMI	\$42.04	*	\$2,328.67	\$1,557.17	
Jul 20			City/Village	\$411.84	\$529.21 *	\$1,916.83	\$1,027.96	
Jul 20			Flood INS	\$1,030.00	*	\$886.83	\$1,027.96	
Jul 20			Mtg INS PMI		\$42.04 *	\$886.83	\$985.92	
Jul 20			Hazard INS		\$670.00 *	\$886.83	\$315.92	
Aug 20	\$284.87	\$284.87	Mtg INS PMI	\$42.04	*	\$1,129.66	\$600.79	
Aug 20			Hazard INS	\$644.00	*	\$485.66	\$600.79	
Aug 20			Mtg INS PMI		\$42.04 *	\$485.66	\$558.75	
Sep 20	\$284.87	\$285.15 *	Mtg INS PMI	\$42.04	*	\$728.49	\$843.90	
Sep 20			Sewer	\$72.99	\$100.22 *	\$655.50	\$743.68	
Sep 20			Mtg INS PMI		\$42.04 *	\$655.50	\$701.64	
Oct 20	\$284.87	\$284.87	Mtg INS PMI	\$42.04	*	\$898.33	\$986.51	
Oct 20			Mtg INS PMI		\$42.04 *	\$898.33	\$944.47	
Nov 20	\$284.87	\$284.87	Mtg INS PMI	\$42.04	*	\$1,141.16	\$1,229.34	
Nov 20			Mtg INS PMI		\$42.04 *	\$1,141.16	\$1,187.30	
Dec 20	\$284.87	\$285.11 *	Mtg INS PMI	\$42.04	*	\$1,383.99	\$1,472.41	
Dec 20			City/Village	\$411.84	\$529.21 *	\$972.15	\$943.20	
Dec 20			Mtg INS PMI		\$42.04 *	\$972.15	\$901.16	
Jan 21	\$284.87	\$284.87	Mtg INS PMI	\$42.04	*	\$1,214.98	\$1,186.03	
Jan 21			Mtg INS PMI		\$42.04 *	\$1,214.98	\$1,143.99	
Jan 21			County Tax		\$529.96 *	\$1,214.98	\$614.03	
Feb 21	\$284.87	\$284.87	Mtg INS PMI	\$42.04	*	\$1,457.81	\$898.90	
Feb 21			County Tax	\$343.27	*	\$1,114.54	\$898.90	
Feb 21			Mtg INS PMI		\$42.04 *	\$1,114.54	\$856.86	
Mar 21	\$284.87	\$285.04 *	Mtg INS PMI	\$42.04	*	\$1,357.37	\$1,141.90	
Mar 21			Mtg INS PMI		\$42.04 *	\$1,357.37	\$1,099.86	
Apr 21	\$284.87	*	Mtg INS PMI	\$42.04	*	\$1,600.20	\$1,099.86	
Apr 21			Mtg INS PMI		\$42.04 *	\$1,600.20	\$1,057.82	
May 21	\$284.87	\$284.87	Mtg INS PMI	\$42.04	*	\$1,843.03	\$1,300.65	

The total amount of escrow payments received during this period was \$3,135.85 and the total escrow disbursements were \$2,863.08. Over this period, \$2.28 was deposited into your escrow account for interest on escrow.

4 Projected Escrow Payments Over the Next 12 Months

Anticipated Annual Disbursements	
Mortgage INS:	\$504.48
City Tax:	\$1,058.42
Flood INS:	\$1,100.00
Hazard INS:	\$670.00
Taxes:	\$100.22
County Tax:	\$529.96
Total:	\$3,963.08

The cushion allowed by federal law (RESPA) is two times your monthly escrow payment (excluding MIP/PMI), unless state law specifies a lower amount.

6 Projected Escrow Balance Summary

M&T Bank expects to pay \$3,963.08 over the next 12 months. Here's how to calculate your new monthly escrow payment:

Total Taxes and Insurance:	\$3,963.08
Divided by 12 months:	\$330.25
*New Monthly Escrow Payment:	\$330.25

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

Month	*Monthly Escrow Payment	Amount Scheduled to be Paid	Description	Projection Based On Current Balance	Projection Based On Required Balance
			Beginning Balance	\$1,300.65	\$2,011.00
Jun 21	\$330.25	\$42.04	Mtg INS PMI	\$1,588.86	\$2,299.21
Jul 21	\$330.25	\$42.04	Mtg INS PMI	\$1,877.07	\$2,587.42
Jul 21		\$529.21	City/Village	\$1,347.86	\$2,058.21
Jul 21		\$1,100.00	Flood INS	\$247.86	\$958.21
Aug 21	\$330.25	\$42.04	Mtg INS PMI	\$536.07	\$1,246.42
Aug 21		\$670.00	Hazard INS	-\$133.93	\$576.42
Sep 21	\$330.25	\$42.04	Mtg INS PMI	\$154.28	\$864.63
Sep 21		\$100.22	Sewer	\$54.06	\$764.41
Oct 21	\$330.25	\$42.04	Mtg INS PMI	\$342.27	\$1,052.62
Nov 21	\$330.25	\$42.04	Mtg INS PMI	\$630.48	\$1,340.83
Dec 21	\$330.25	\$42.04	Mtg INS PMI	\$918.69	\$1,629.04
Dec 21		\$529.21	City/Village	\$389.48	\$1,099.83
Jan 22	\$330.25	\$42.04	Mtg INS PMI	\$677.69	\$1,388.04
Feb 22	\$330.25	\$42.04	Mtg INS PMI	\$965.90	\$1,676.25
Feb 22		\$529.96	County Tax	\$435.94	\$1,146.29
Mar 22	\$330.25	\$42.04	Mtg INS PMI	\$724.15	\$1,434.50
Apr 22	\$330.25	\$42.04	Mtg INS PMI		
May 22	\$330.25	\$42.04	Mtg INS PMI		

7 Escrow Requirements, New Mortgage Payment and Anticipated Annual

Projected Beginning Balance	\$1,300.65
-Required Minimum Balance	\$2,011.00
Escrow Shortage Amount	\$710.35

Your lowest monthly escrow balance for the next 12 months should reach \$576.42, which equals a total reach this balance, your required escrow amount after your 5/21 payment should be \$2,011.00, where \$1,300.65. The difference, \$710.35, represents the amount needed in your escrow account and will be

Each year we will project escrow account activity for the next twelve months based upon the best info will only be estimates, and even slight differences can affect the preciseness of our projected escrow

M&T Bank is required to provide the following information regarding your escrow account.

- (1) We are obligated to make all property tax and insurance (if applicable) payments in a timely manner and we interest for bills not paid on time.
- (2) We are obligated to collect 1/12th of taxes and insurance (if applicable) as a monthly escrow payment, until the account, in which case a greater or lesser amount may be required.
- (3) We must deposit the escrow funds in a banking institution whose deposits are insured by a federal agency
- (4) We cannot charge any fees for maintenance of the account, including our providing an annual escrow analysis 12-month period.

M&T Bank is attempting to collect a debt and any information obtained will be used for that purpose. To the extent discharged, or is subject to an automatic stay of bankruptcy under Title 11 of the United States Code, this statement informational purposes only and does not constitute an attempt to collect a debt or to impose personal liability. Bank retains rights under its security instrument, including the right to foreclose its lien.

8 FAQs: Helpful explanations to many frequently asked questions.



Annual Escrow Account Disclosure Statement

8

MORTGAGOR GUIDE TO FREQUENTLY ASKED ESCROW ANALYSIS QUESTIONS

• Why am I receiving this escrow analysis statement?

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

• What is an escrow account?

An escrow account is an account created for the borrower that is used to pay any property taxes, homeowner's insurance and/or flood insurance (if applicable). As each mortgage payment is made, a dedicated portion is added to the escrow account to pay taxes and/or insurance.

• What is an escrow payment?

The portion of your monthly payment that is held and used to pay your escrowed items as they become due.

• How is my escrow payment determined?

The calculation used to determine the escrow portion of your payment is:

$$\frac{12 \text{ months of escrow payments} + \text{Reserve}^*}{+ 12} = \text{Escrow payment}$$

We gather the anticipated payments that are to be paid in the next 12-month time frame from when the escrow analysis was performed. These payments may either be known, based on the prior year's payments, or based on payments of similar residential properties. We forecast any anticipated increase or decrease and account for any existing escrow account balance. We collect 1/12th of this amount monthly.

* An escrow reserve, also known as a 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 two-month cushion.

• Will my escrow payment amount remain the same if I remit the entire shortage amount at once?

Paying the full shortage amount will adjust your account resulting in the smallest possible increase in your monthly mortgage payment amount. It's important to keep in mind that any increase in your real estate tax amounts and/or insurance premium(s) may cause your payment amount to change even if you pay your shortage amount.

- By Mail: Send a check made payable to M&T Bank and indicate on the memo line that you are making an escrow shortage payment. Please mail the check 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.

• Why did my monthly escrow payment amount change?

Your payment may have increased for several reasons. Some of the most common reasons are:

- Increases in your property taxes and/or insurance premiums
- Increases in your property's tax assessment
- Changes in your insurance carrier
- Changes in your Tax due date
- Fewer deposits to escrow than expected

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.

• Why didn't my payment go down when my taxes or insurance did?

The tax and/or insurance figures used for your analysis calculation are based on last amount(s) paid, or, where applicable, from your prior servicer or from your closing documents. If you have received more recently updated information from your tax assessor, please forward it to eta@mtb.com.

• Information regarding insurance

Hazard insurance, also referred to as homeowner's insurance, is an insurance policy purchased to protect your property from certain hazards such as fire and theft. Policy coverage may vary. See your insurance policy information for details regarding your specific coverage(s).

If you decide to change your insurance carrier, please send the new policy information to: M&T Bank, Its Successors and/or Assigns, P.O. Box 5738, Springfield, OH 45501-5738. Or submit online at mycoverageinfo@mtb.com.

• Do I need to send my tax and insurance bills each time they're due?

