

Opening a Mortgage Escrow Account Request Form

<p>Requirements For Opening a Mortgage Escrow Account</p>	<ul style="list-style-type: none"> You, as a mortgagor on the loan, must request to open (establish) a mortgage escrow account by signing and returning this document. You must escrow both property taxes and homeowner’s insurance. If you are exempt from paying property taxes this will be reflected as \$0.01. Your loan documents (e.g., Mortgage or Deed of Trust) must allow for the creation of an escrow account. After receiving your written request, we will review your loan documents to determine if your loan permits the addition of an escrow account.
<p>Other Things to Know</p>	<ul style="list-style-type: none"> Written notification of the decision will be sent to the mailing address on file. This is the same address where we send your periodic billing statement. <ul style="list-style-type: none"> If approved, you will receive an Escrow Analysis Statement which will include your new payment amount and effective date. If declined, you will receive a decline notice. You have fifteen (15) days to rescind this request from the Preparation Date on the initial Escrow Analysis Statement that will be sent to you. The criteria for removing escrow during this rescission period are as follows: <ul style="list-style-type: none"> You, as a mortgagor on the loan, must request to remove / rescind in writing. You must pay in full any negative (deficient) escrow balance before or included with the removal request. Your loan must be less than 30 days delinquent. For all removal requests after the rescission period, you must submit an Escrow Removal Request Form. The form, which includes removal requirements, can be found at https://www.bbvausa.com/global/pdf/escrow-removal-form.pdf
<p>Required Action</p>	<ul style="list-style-type: none"> If you believe you meet the above Requirements for Opening a Mortgage Escrow Account, and understand and agree to the Other Things to Know, and Frequently Asked Questions, then please complete, sign, and date the form below. If you are rescinding a request, please complete the Rescission Only section below. You may either fax the completed form to 205-524-8254 OR mail the form to the following address: BBVA Escrow Department P.O. Box 830953 Birmingham, AL 35283 ATTN: Open an Escrow Account

Contact Information

Borrower First and Last Name _____

Loan Number _____

Property Address _____

Email _____

Phone Number _____

<p>Rescission Only</p> <p>Date: _____</p> <p>Initial Here: _____</p>

Signature: _____ Date: _____

**By signing this document you are acknowledging you are requesting an escrow account be created and your periodic mortgage payment will increase, as reflected in your Escrow Analysis Statement. Additionally, you acknowledge your periodic mortgage payment may change as the escrow amount may change from time to time.*

What is the function of an escrow account?

An escrow or impound account is an account that we maintain as part of your mortgage. The account is used to pay recurring property-related expenses on your behalf. The most common expenses are property taxes and homeowner's insurance.

These expenses are usually semi-annual or annual and can involve large payments. The escrow account allows you to make periodic payments to ensure you have enough money to pay those bills when they come due. The escrow payment will be included in your total amount due on your periodic billing statement.

How will the addition of an escrow account affect me?

If your request to add an escrow account is granted, your mortgage payment will increase within 30-60 days. You will receive an Escrow Analysis Statement notifying you of your new payment amount and effective date. Please review your periodic billing statement to confirm payment amounts due.

When will I receive my escrow account statement?

If your request is approved, you will receive an initial Escrow Analysis Statement. Then, at least once every 12 months you will receive an updated Escrow Analysis Statement, to ensure you are aware of any upcoming escrow changes and to ensure the periodic escrow payment will be sufficient to pay the amounts anticipated for escrow items.

What is included on my escrow statement?

The escrow statement will include:

- Your new escrow payment and effective date;
- The payment breakdown including the Principal and Interest Amount, Escrow Amount, and Shortage Amount;
- The projected month and amount to disburse for all items being escrowed, which are typically your property taxes and homeowner's insurance;
- The actual transactions since your last Escrow Analysis Statement; and
- Other support details like the target balance, cushion, and current escrow balance.

For additional details, please see the "How To Read My Escrow Statement" document located on the BBVA website or at <https://www.bbvausa.com/global/pdf/reading-your-escrow-statement.pdf>

Where can I find more information about an Escrow Account?

In the Escrow Account Overview section of our Mortgage Loan Servicing FAQ document located on the BBVA website or <https://www.bbvausa.com/global/pdf/Mortgage-Servicing-FAQ.pdf>

Why do I have a shortage?

When establishing an escrow account, you will have a shortage and it will be reflected on your initial Escrow Analysis Statement. If your escrow account had been set up when you closed on your loan an initial escrow deposit would have been collected. The initial escrow deposit is also referred to as the target balance. Any escrow funds advanced to pay for taxes, insurance, etc. when setting up your account, will be included in the shortage amount.

Can I only add taxes and not insurance or vice-versa?

No, once an escrow account is established it will need to be for all required escrows related to requirements of your mortgage loan documents (e.g., Deed of Trust / Mortgage). This typically includes property taxes and homeowners (hazard) insurance. Flood insurance will be included for properties in flood zones requiring flood insurance.

What if in the future I want to waive / remove escrow on my loan?

The requirements are located at the top of the Escrow Removal Request form which can be found on the BBVA Website or at the following link <https://www.bbvausa.com/global/pdf/escrow-removal-form.pdf>

What if I change my mind and want to rescind my request to add escrow?

You have fifteen (15) days to rescind this request from the Preparation Date on the initial Escrow Analysis Statement that will be sent to you. The criteria for removing escrow during this rescission period are as follows:

- You, as a mortgagor on the loan, must request to remove / rescind in writing.
Note: If you kept a copy of the initial request, then date and initial the form in the "Rescission Only" box and submit via fax or mail as indicated on the form.
- You must pay in full any negative (deficient) escrow balance before or included with the removal request.
- Your loan must be less than 30 days delinquent.

Within 20 days of receiving your notice, you will receive written notification about your account status. If your account contains any funds (e.g., positive balance) they will be returned to when the account is closed.

How do I determine my escrow balance, if I decide to rescind my request to add escrow?

You can call Customer Service at 800-239-1996 and request the escrow balance. It is important that you act timely with submitting your request to rescind and, if needed, funds for the negative (deficient) escrow balance.

In rare cases, before receiving your funds we may receive a tax or insurance bill which is processed and will impact the escrow balance. In those cases we will reach out based on the contact information provided to inform you of the situation and options for clearing new deficiency.

What are property tax exemptions?

Property tax exemptions are available to many homeowners, but you will need to work with your property tax office to determine if you qualify for any exemptions. Most exemptions reduce your tax liability but some can eliminate the need to pay any property tax. For example, a Homestead exemption typically will reduce the amount of property taxes you need to pay. There are exemptions that seniors and the disabled may qualify for that could eliminate their tax liability.

Because exemptions that eliminate property taxes may require additional documentation annually or other timeframes, we include property taxes on your account showing a projected disbursement of \$0.01.

Any specific questions about what exemptions are available and required qualifications should be directed to your tax agency.

Please note that property tax exemptions are different than property tax deferrals.

Is a tax deferral then same as a tax exemption?

No, a tax deferral only defers when the taxes will be paid and does not remove your obligation to pay property taxes. Therefore, we do not allow for any tax deferrals on mortgage loans. This includes mortgages with or without an escrow account.

Any outstanding tax deferrals will be paid in full from escrow as an advance and future tax amounts will be projected for your escrow account.

Who determines the guidelines being used?

As part of managing the Escrow process, BBVA complies with all applicable laws, rules, and regulations. Per your Mortgage or Deed of Trust an escrow account may/may not be placed on the loan. This request will need to be submitted before a determination can be made.

I believe I have met the requirements for Escrow addition, what do I do next?

Complete the Opening a Mortgage Escrow Account Request Form, which will serve as your written request to add Escrow. You can obtain the form from the BBVA web site or by calling Customer Service at 800-239-1996. The website link is <https://www.bbvausa.com/global/pdf/open-escrow-acct-form.pdf>.

For completed forms please send the signed form to the BBVA Escrow department by fax or mail. The fax number and mailing address can be found below. For mail use the Mortgage Escrow Mailing Address.

What do I need to do when I have questions or need to provide documentation about changes?

Questions about your escrow account can be directed to Customer Service by calling 1-800-239-1996. Any future changes in your taxes or insurance need to be reported to BBVA. The documentation related to the change can be sent via fax or mail. When sending us documentation, please provide a cover letter with your account number and reason for sending.

Escrow Related Contacts	Contact Information	Other Details
Customer Service	800-239-1996	
Mortgage Escrow Fax	205-524-8254	
Mortgage Escrow Mailing Address	P.O. Box 830953 Birmingham, AL 35283 ATTN: Mortgage Escrow Dept	Tax bills and another escrow related communication.
Mortgage Escrow Insurance Mailing Address	P.O. Box 200017 Kennesaw, GA 30156-9246 ATTN: Insurance Payment Processing	Insurance bills
Web Address	http://www.bbvausa.com/contact/	Provides list of contacts

Who do I need to contact if I want to assert there has been an error made with the servicing of my loan, or if I want to request information about the servicing of my loan?

If you want to assert there has been an error made with the servicing of your loan, or if you would like to request information about the servicing of your loan, then you must send written notice to us at BBVA, PO Box 10184, Birmingham, Alabama 35202.