

ANNUAL TAX AND INSURANCE ACCOUNT DISCLOSURE

Dear Valued Borrower,

Our team here at Greater Nevada Mortgage has performed its annual review of your tax and insurance account. Since the amounts due for your property taxes and insurance change periodically, an analysis is completed each year to estimate and revise your monthly payment to properly fund your tax and insurance account.

IMPORTANT INFORMATION

- **Your updated payment information and effective date are located on the last page of your personalized Tax and Insurance Account Disclosure (attached).**
- If it is determined that there is too much money in the account (surplus), we will send you a refund if the surplus is more than \$50. If it is less than \$50, it will remain in the tax and insurance account to reduce your future payments.
- If too little has been added to the account (shortage/deficiency), we will adjust your monthly payment accordingly to ensure there are enough funds to pay your property taxes and/or insurance when due.

PAYMENT INFORMATION

If your loan has a shortage/deficiency, you have the option to pay any portion of that amount to reduce the impact of the tax and insurance payment change. You can make that payment through one of the following options:

- Include with your monthly payment prior to the effective change date.
- At any GNCU branch location. For branch locations, visit GNCU.org/Locations.
- By mail to P.O. Box 4138, Carson City, NV 89702.
- By phone at (800) 526-6999 or (775) 888-6999, select option 2 (please note, a convenience fee does apply).

Please see the additional pages included in this packet for information and frequently asked questions (FAQs) for understanding your Tax and Insurance Disclosure Statement. The same information can also be found online, anytime at GreaterNevadaMortgage.com/Tax-Insurance-Account-Disclosure.

To opt out of paper mailings and receive your Annual Tax and Insurance Disclosure electronically in the future, enroll in our convenient eStatement program. To get started, simply login to your Greater Nevada Mortgage account and select Account Info > Documents > Manager Paperless Statements. Be sure to select the "T&I Disclosure" as one of the documents you would like to receive electronically.

Providing Greater service is our goal! Please contact our Loan Servicing Department at (775) 888-6999 or (800) 526-6999, option 2, with any questions you may have.

Sincerely,



Haley Gwinn
Mortgage Services Manager

P.O. Box 4138, Carson City, NV 89702
(775) 888-6999 | (800) 526-6999 | GreaterNevadaMortgage.com



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UNDERSTANDING YOUR TAX AND INSURANCE ACCOUNT DISCLOSURE STATEMENT

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Greater Nevada Mortgage
4070 Silver Sage Drive
Carson City NV 89701
(800)526-6999

1 Loan Number
Due Date
Property Address:

2

3 4 5 6 7 8 9

| Month | Projected T&I Pmt | Actual T&I Pmt | Projected T&I Disb | Actual T&I Disb | Disb Desc | Projected T&I Balance | Actual T&I Balance |
|---------------------------|-------------------|----------------|--------------------|-----------------|------------------|-----------------------|--------------------|
| Starting T&I Balance..... | | | | | | 301.98 | 412.98 |
| October | 106.17 | 0.00 * | 0.00 | 0.00 | | 408.15 | 412.98 |
| November | 106.17 | 105.73 * | 0.00 | 0.00 | | 514.32 | 518.71 |
| December | 106.17 | 105.73 * | 166.00 | 166.00 | Property Tax | 454.49 | 458.44 |
| January | 106.17 | 105.73 * | 0.00 | 0.00 | | 560.66 | 564.17 |
| February | 106.17 | 105.73 * | 166.00 | 166.00 | Property Tax | 500.83 | 509.90 |
| March | 106.17 | 105.73 * | 0.00 | 0.00 | | 607.00 | 609.63 |
| April | 106.17 | 105.73 * | 0.00 | 0.00 | | 713.17 | 715.36 |
| May | 106.17 | 105.73 * | 607.00 | 691.00 * | Hazard Insurance | 212.34 | 130.09 ** |
| June | 106.17 | 211.46 * | 0.00 | 0.00 | | 318.51 | 341.55 |
| July | 106.17 | 0.00 * | 0.00 | 0.00 | | 424.68 | 341.55 |
| August | 106.17 | 105.73 * | 169.04 | 174.02 * | Property Tax | 361.81 | 273.26 |
| September | 106.17 | 105.73 * | 166.00 | 171.00 * | Property Tax | 301.98 | 207.99 |
| Totals..... | 1,274.04 | 1,163.03 | 1,274.04 | 1,368.02 | | | |

10 An asterisk (*) indicates a difference from a previous estimate either in the date or the amount. An "E" indicates estimates for future payments or disbursements.

The mortgage payment, as of the last T&I Account Disclosure Statement, was 925.56. The breakdown was as follows: 819.83 Principal and Interest, 105.73 T&I, 0.00 Miscellaneous Insurance, 0.00 Subsidy.

Last year, we anticipated that disbursements from the T&I account would be made during this period equalling 1,274.04. Under RESPA, the low monthly T&I balance should not have exceeded 212.34, or 1/6 of anticipated disbursements. Under the mortgage contract, the low monthly T&I balance should not have exceeded 212.34. Under the servicers selected low point, the low monthly T&I balance should not have exceeded 212.34. The low balance was 130.09**.

Review the difference in the activity that we projected to occur against the actual history. Possibilities for not reaching the low balance may include:

1. A tax bill, insurance bill, or other T&I item was paid at a lower amount than projected, or was paid later than projected.
2. A surplus from a prior year was not eliminated.
3. Unscheduled deposits were made to the T&I account.
4. Unscheduled disbursements were made from the T&I account.

For further explanation, please call Greater Nevada Mortgage.

- 1 Loan number, due date of next payment, and personal contact information
- 2 History of escrow account payments for prior 12 months
- 3 Projected Tax and Insurance payment, based on 12 months prior
- 4 Actual Tax and Insurance payment received
- 5 Projected distribution of Tax and Insurance funds
- 6 Actual distribution of Tax and Insurance funds
- 7 Description of funds distribution
- 8 Projected balance of escrow account
- 9 Actual balance of escrow account
- 10 Further information of mortgage payment as of last Disclosure Statement, potential reason for differences in activity between projected and actual balances

Actual disbursement amounts change based on invoices received for taxes and insurance.

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Tax and Insurance Account Disclosure Statement August 14, 2020

Greater Nevada Mortgage
4070 Silver Sage Drive
Carson City NV 89701
(800)526-6999

1 Loan Number Due Date

Property Address:

2 3 4 5 6

Account Projection Detail for 10/20 Through 09/21

| Month | Projected T&I Pmt | Projected T&I Disb | Disb Desc | Current Bal Projection | Required Bal Projection |
|---------------------------|-------------------|--------------------|------------------|------------------------|-------------------------|
| Starting T&I Balance..... | | | | 207.99 | 343.96 |
| October | 114.84 | 0.00 | | 322.83 | 458.80 |
| November | 114.84 | 0.00 | | 437.67 | 573.64 |
| December | 114.84 | 171.00 | Property Tax | 381.51 | 517.48 |
| January | 114.84 | 0.00 | | 496.35 | 632.32 |
| February | 114.84 | 171.00 | Property Tax | 440.19 | 576.16 |
| March | 114.84 | 0.00 | | 555.03 | 691.00 |
| April | 114.84 | 0.00 | | 669.87 | 805.84 |
| May | 114.84 | 691.00 | Hazard Insurance | 93.71 | 229.68 ** |
| June | 114.84 | 0.00 | | 208.55 | 344.52 |
| July | 114.84 | 0.00 | | 323.39 | 459.36 |
| August | 114.84 | 174.02 | Property Tax | 264.21 | 400.18 |
| September | 114.84 | 171.00 | Property Tax | 208.05 | 344.02 |
| Totals..... | 1,378.08 | 1,378.02 | | | |

- 1 Loan number, due date of next payment, and personal contact information
- 2 Projection of escrow account payments for upcoming 12 months.
- 3 Projected Tax and Insurance distribution schedule, based on distribution for the upcoming 12 months
- 4 Description of funds distribution
- 5 Projected balance of escrow account
- 6 Required projected balance of escrow account

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Tax and Insurance Account Disclosure Statement August 14, 2020

1 Loan Number Due Date

Account Projection Summary for 10/20 Through 09/21

| | | | |
|--|----------------------|--------|--|
| 2 Projected T&I Payment: | 114.84 (12 payments) | | |
| 3 Current Balance Projected Low Point: | | 93.71 | |
| 4 Less the lowest of the following: | | | |
| RESPA Allowed Low Point: | 229.68 | | |
| Mtg Document Allowed Low Point: | 229.68 | | |
| Low Point Selected By Servicer: | 229.68 | 229.68 | |
| Net Balance: | | 135.97 | |
| Resulting Shortage: | | 135.97 | |
| T&I Balance: | | 207.99 | |
| Plus Shortage: | | 135.97 | |

5 New Payment Information:

| | |
|------------------------|----------|
| Current P&I Payment: | 819.83 |
| T&I Payment: | 114.84 |
| 1/12 of Shortage: | 11.33 |
| New Payment Effective: | 10/01/20 |
| | 946.00 |

Required Beginning Balance Projection to Ensure Low Point (incl reserves) of: 229.68 ** 343.96

6 There is a shortage of 135.97. This shortage may be collected over a period of 12 months or more unless the shortage is less than one month's deposit, in which case we have the additional option of requesting payment within 30 days. WE HAVE DECIDED TO COLLECT IT OVER 12 MONTHS.

An "*" indicates a reserve amount held in the account for a future year disbursement.

Reserves held for items yet to be paid are needed in the escrow account to pay for tax and/or insurance items that were due to be paid prior to the T&I computation period, as indicated.

For further explanation, please call Greater Nevada Mortgage.

Keep this statement for comparison with the actual activity in the account at the end of the next escrow accounting computation year.

- 1 Loan number and due date of next payment
- 2 Projected payment to be used for upcoming 12 months
- 3 Account balance minimum for 12 month period, which is equal to two months of projected Tax and Insurance payments
- 4 Account shortage due to the current projected balance low point being less than the minimum low balance requirement
- 5 New monthly payment breakdown for upcoming 12 months with effective date
- 6 Explanation of how the total shortage, deficiency or surplus will be collected



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FREQUENTLY ASKED QUESTIONS ABOUT YOUR ACCOUNT

Why am I receiving this notice?

You are receiving this notice because:

You are entitled to receive a review of your escrow account to determine how it is being administered; and
You may be entitled to a refund for a surplus in your escrow account if your account is current; or You may be responsible for a shortage in your escrow account.

How will my payment be affected?

As a result of your Tax and Insurance Account review, your monthly payment amount may increase or decrease. If you participate in one of Greater Nevada Mortgage automated payment plans, your payment will be adjusted to reflect the new payment amount.

Why does my Tax & Insurance Account Disclosure Statement show a shortage in my account?

If your taxes and/or insurance premiums increased since the last time we reviewed your account due to carrier or policy changes, then there is a good chance that your escrow account will have a shortage. That means we paid more money out of the account during the last year than you put into it.

My loan has a fixed rate, why is my payment changing?

A fixed rate means the principal and interest payment on your loan will never change. However, your monthly mortgage payment also includes an escrow payment for insurance premiums and real estate taxes, which do change periodically. A change in taxes and/or insurance will affect the escrow portion of your total monthly payment.

Who do I call if I have questions?

You may contact one of our Mortgage Servicing Specialists at (775) 888-6999 or (800) 526-6999
Monday – Friday, 8:00 AM – 5:00 PM PT. We will return calls received after hours or on weekends on the following business day.

Why is my payment still going up if my taxes/insurance went down?

If your taxes and insurance decreased but your payment increased, this would be caused by a shortage in your account due to more funds being dispersed than were projected for in the previous year.

Can I deposit into my escrow account throughout the year to eliminate the possibilities of having a shortage?

Unfortunately, no. We are only able to collect the exact amount projected for your payments based on the current amounts due for your taxes and/or insurance. If your property tax bill or insurance bill is higher than projected, you may pay that shortage in a lump sum when your next annual tax and insurance analysis is completed.



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