

# 2018 McCracken Conference



**ESCROW ANALYSIS:  
OTHER INTERESTING INFORMATION**



# Escrow Analysis



- The main reason for Escrow Analysis is to insure that there will be sufficient funds to make the next year's disbursements.
- There are many parameters available to insure an adequate amount for the next disbursement.
- There are 4 different methods for Escrow Analysis.

# Escrow Analysis



- 4 Different options for the method of the Escrow Analysis – Aggregate Analysis Code
  - N or blank – Regular
  - Z – Combined Balances
  - Y - HUD Escrow Analysis
  - X – Aggregate

# All 3 of the Aggregate Methods



- Escrows 1, 2, and 4 will be combined on Current Status
  - One Escrow Constant will be displayed
  - One Escrow Balance will be displayed
- Disbursement use Aggregate Balance
  - When Tax or Insurance bills are analyzed to determine if there are enough funds, the balances in Escrow 1, Escrow 2 and Escrow 4 are totaled & then considered.
  - The system generated disbursements automatically create any debits and credits that might be needed to move funds

# All 3 of the Aggregate Methods - Current Status

STRATEGY CS - [Current Status => 010020017 [USD] - M EOM thru rb]

File Tools Window Help

Current Status

Loan Terms/Status

Borrower Info

Associated Names

Doc Distribution

Regular Payments

Misc Rcvb/Exp

Lt Chg/Dflt/Dfrd Int

Trans History

Property Info

Pend Chgs/Adj Loan

Interest Adj

Cross Ref Loan Grp

Investors

Reporting Bal

YTD Amounts

Escrow Information

File Maintenance Log

Prepayment Premiums

Notes

**Loan Terms**

Borrower: Quality Construction

Borrower #: 21-3333333

Project Name:

Add'l Loan ID:

Investor: D2 INV 100 EXTERNAL LOANS

Int Rate %: 5.50000000000000

Orig Prin Bal: 750,000.00

Curr Prin Bal: 681,688.76

Avail Funds: 0.00

Term (yrs/mo): 10/00

Remain Term (yrs/mo): 05/01

Loan Type: CONV PUR (P)

Note Type:

# of Investors: 1

**Payment Information**

Pmt Status: NO PMT DUE (90)

Pmt Freq Indicator: MONTHLY (M)

Pmt Frequency: Monthly (1)

Next Pmt Due Dt: 01/07/2015

Accrued Thru Dt: 12/16/2014

Interest Basis: 365/ACT NL (A65)

Contract Type: FIXED (F)

Payment Type: REG AMORT (P)

Pre Auth Trans: PAT

**Regular Payment Amount**

Princ & Int: 8,167.89

Aggregate: 2,000.00

Escrow 3: 0.00

Escrow 5: 0.00

Total Reg Pmt: 10,167.89

Label will be either HUD or Aggregate

# Master Info



Customer Info    Master    Revenue & Expenses    Holdbacks    Analysis & Rep

☐ Payment/Billing  
☐ Balances/Processing  
☐ Contract  
☐ Esc/LateChg/Default  
☐ D.I.A.L.  
☐ Reporting  
☐ Tiered Service Fee  
☐ Period to Date(1)  
☐ Period to Date(2)  
☐ Commercial/Balloon  
☐ Interest Reserve  
☐ Valuation Analysis  
☐ Prepayment Premiums  
☐ Fee Information

Pay  
Pay  
B  
Acc  
Ne  
Billio

Loan in Progress: NO (N)  
Interest Rate%: 5.500000000000  
Expanded Interest Rate%: .000000000000000000000000  
Annual Percentage Rate%: 5.500000000000  
Neg Amortization% Allowed: .00  
Deposit Account#:   
Subsidy: N  
Mod Pmt Sched on File: NO (N)  
Pmt App String: STANDARD (V99)  
Allow Partial Payments: NO (N)  
Principal & Interest Pmt: 8,167.89  
Escrow 1 Payment: 1,200.00  
Escrow 2 Payment: 800.00  
Escrow 3 Payment: .00  
Escrow 4 Payment: .00  
Escrow 5 Payment: .00  
Maturity Date: 10/31/2023

# All 3 of the Aggregate Methods - Current Status

STRATEGY CS - [Current Status => 010020017 [USD] - M EOM thru rb]

File Tools Window Help

Current Status  
Loan Terms/Status  
Borrower Info  
Associated Names  
Doc Distribution  
Regular Payments  
Misc Rcvbl/Exp  
Lt Chg/Dflt/Dfrd Int  
Trans History  
Property Info  
Pend Chgs/Adj Loan  
Interest Adj  
Cross Ref Loan Grp  
Investors  
Reporting Bal  
G/L Company  
GAAP Net Book Value  
YTD Amounts  
Escrow Information  
File Maintenance Log  
Prepayment Premiums  
Notes

**Loan Status Information**

Loan Status 1:	Orig Loan Date:	09/30/2013	Balloon Balance:	0.00
Loan Status 2:	Maturity Date:	10/31/2023	Maturity Bill Type:	
Assess Lt Chg: YES (Y)	Accrued Through:	12/16/2014	Maturity Bill Date:	00/00/0000
Accounting Basis: ACCRUAL	Next Pmt Anniv:	12/31/2014		
LTV %: 0	Dt of Last Trans:	12/01/2014		
DSCR %: 0.0	Due Dt for Delq:	12/30/2014		

**Servicing Information**

Correspondent:	Branch: CHICAGO1 (C1)	Pmt App Method: STANDARD (V99)
G/L Matrix: MFS ONE (MFS ONE)	Officer: SMYTH, J (JS)	Partial Pmt: NO (N)
Loan Class: COMMERCIAL (CM)	Servicer: RYLOWICZ S (SR)	Tr Debt Restruct:
Warehouse: NO (N)	Cost Center:	Impaired:

**Escrow Information**

**Pending Escrow Analysis Change**

Next Escrow Analysis:	12/01/2014	Aggregate Bal:	15,000.01
Escrow Analysis Freq:	12	Escrow 3 Bal:	0.00
Total Escrow Balance:	15,000.01	Escrow 5 Bal:	0.00

# Master Info

The screenshot displays the 'Master Info' window of a software application. The left sidebar contains a tree view with the following items: Payment/Billing, Balances/Processing (highlighted with a blue border and a mouse cursor), Contract, Esc/LateChg/Default, D.I.A.L., Reporting, Tiered Service Fee, Period to Date(1), Period to Date(2), Commercial/Balloon, Interest Reserve, Valuation Analysis, Prepayment Premiums, and Fee Information. The main content area is divided into two sections: 'Balance Information' and 'Processing Information'. The 'Balance Information' section includes fields for 'Date of Last Transaction' (12/01/2014), 'Current Principal Balance' (681,688.76), and a table of escrow balances. The 'Processing Information' section includes dropdown menus for 'Hold Code #1', 'Hold Code #2', 'Hold Code #3', and 'G/L Company' (MFS SQL P.L (01)).

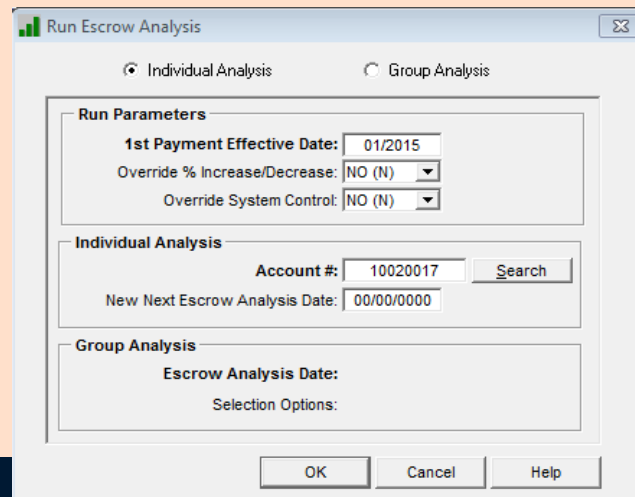
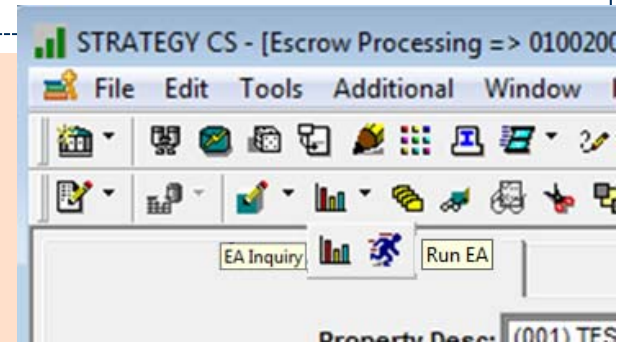
Balance Information	
Date of Last Transaction:	12/01/2014
Current Principal Balance:	681,688.76
Escrow 1 Balance:	3,800.01
Escrow 2 Balance:	11,200.00
Escrow 3 Balance:	.00
Escrow 4 Balance:	.00

Processing Information	
Hold Code #1:	
Hold Code #2:	
Hold Code #3:	
G/L Company:	MFS SQL P.L (01)



# Other Important Information

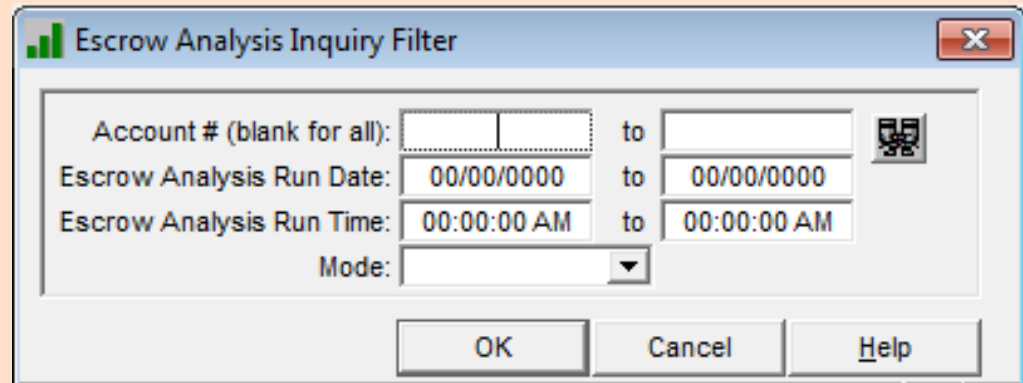
- E/A is run from Escrow Processing
- When you click on the running man this window will open




## Other Important Information



- When you click on the E/A Inquiry Icon this filter box will appear.
  - A variety of filtering can be done or just click the OK button for all records to display

A screenshot of a software dialog box titled "Escrow Analysis Inquiry Filter". The dialog box has a standard Windows-style title bar with a close button (X) in the top right corner. Inside the dialog, there are several input fields and a dropdown menu. The first row is "Account # (blank for all):" followed by two empty text boxes and a "to" label, then another empty text box and a small icon of two people. The second row is "Escrow Analysis Run Date:" followed by a text box containing "00/00/0000", a "to" label, and another text box containing "00/00/0000". The third row is "Escrow Analysis Run Time:" followed by a text box containing "00:00:00 AM", a "to" label, and another text box containing "00:00:00 AM". Below these is a "Mode:" label followed by a dropdown menu showing a downward arrow. At the bottom of the dialog are three buttons: "OK", "Cancel", and "Help".

Account # (blank for all):	<input type="text"/>		to	<input type="text"/>	
Escrow Analysis Run Date:	<input type="text" value="00/00/0000"/>		to	<input type="text" value="00/00/0000"/>	
Escrow Analysis Run Time:	<input type="text" value="00:00:00 AM"/>		to	<input type="text" value="00:00:00 AM"/>	
Mode:	<input type="text" value="▼"/>				

OK Cancel Help

## Other Important Information



- The filter box remains available
- Each column can be sorted by clicking on the heading

Escrow Analysis Inquiry

Account # (blank for all):  to

Escrow Analysis Run Date: 00/00/0000 to 00/00/0000

Escrow Analysis Run Time: 00:00:00 AM to 00:00:00 AM

Mode:

Account #	Currency Type	Name	E/A Run Date	E/A Run Time	Mode	Analysis Type
10020003	US DOLLARS (USD)	M EOM to rf	01/25/2014	11:33:50 AM	TEST	COMBINED B (Z)
10020026	US DOLLARS (USD)	M ac thr no c	12/17/2014	01:53:46 PM	TEST	AGGREGATE (X)
10020026	US DOLLARS (USD)	M ac thr no c	12/17/2014	12:29:40 PM	TEST	HUD (Y)
10020026	US DOLLARS (USD)	M ac thr no c	12/17/2014	12:25:33 PM	TEST	HUD (Y)
10020003	US DOLLARS (USD)	M EOM to rf	12/17/2014	12:02:22 PM	TEST	HUD (Y)
10020003	US DOLLARS (USD)	M EOM to rf	12/17/2014	10:30:40 AM	TEST	COMBINED B (Z)
10020001	US DOLLARS (USD)	M EOM no cal	12/17/2014	03:22:38 PM	TEST	
10020001	US DOLLARS (USD)	M EOM no cal	12/17/2014	03:22:38 PM	TEST	

# Escrow Analysis Inquiry



- Right Mouse Options

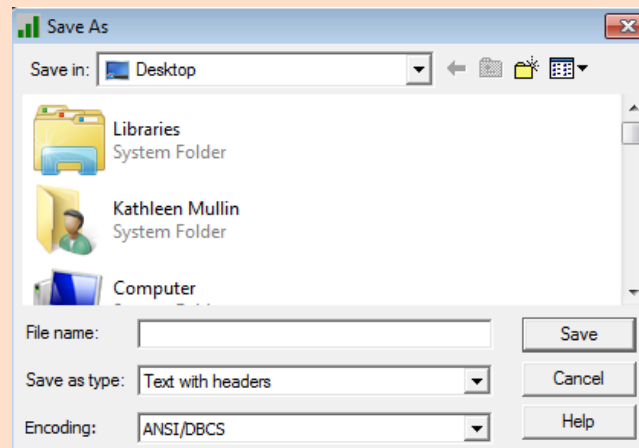
A screenshot of a right-click context menu. The menu is light gray with a white border and contains the following options: Export..., Print Notice/Letter, Print Report, Mode Change, Loan Review Change, Delete, Notes, Filter..., and Find... The 'Loan Review Change' option is highlighted with a thin orange line to its right.

Export...  
Print Notice/Letter  
Print Report  
Mode Change  
Loan Review Change  
Delete  
Notes  
Filter...  
Find...

# Right Mouse Options



- **Export**
  - Allows you to download the grid.
  - Available with most grids



# Right Mouse Options



- Print Notice/Letter

The 'Print Notice Letter' dialog box contains the following fields and controls:

- Account # (blank for all): 10020001
- Escrow Analysis Run Date: 02/09/2015
- Escrow Analysis Run Time: 02:17:54 PM
- Run type: TEST (dropdown menu)
- Buttons: OK, Cancel, Help

- Print Report

The 'Print Report' dialog box contains the following fields and controls:

- Account # (blank for all): 10020001 to 10020001
- Escrow Analysis Run Date: 12/17/2014 to 12/17/2014
- Escrow Analysis Run Time: 03:22:38 PM
- Run type: TEST (dropdown menu)
- Sort by: Account (dropdown menu)
- Buttons: OK, Cancel, Help

# Right Mouse Options



- **Mode Change**

- Test to Live
- Live to Test

Mode Change

Account # (blank for all): 10020001 to 10020001

Escrow Analysis Run Date: 12/17/2014

Escrow Analysis Run Time: 03:22:38 PM

OK Cancel Help

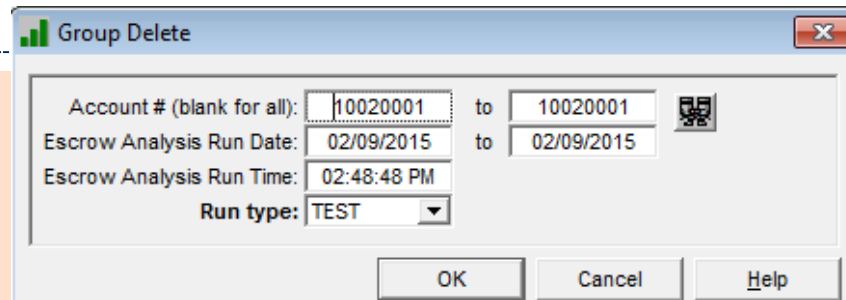
- **Loan Review Change**

- More to come

# Right Mouse Options

- Delete

- Filter



Group Delete

Account # (blank for all): 10020001 to 10020001

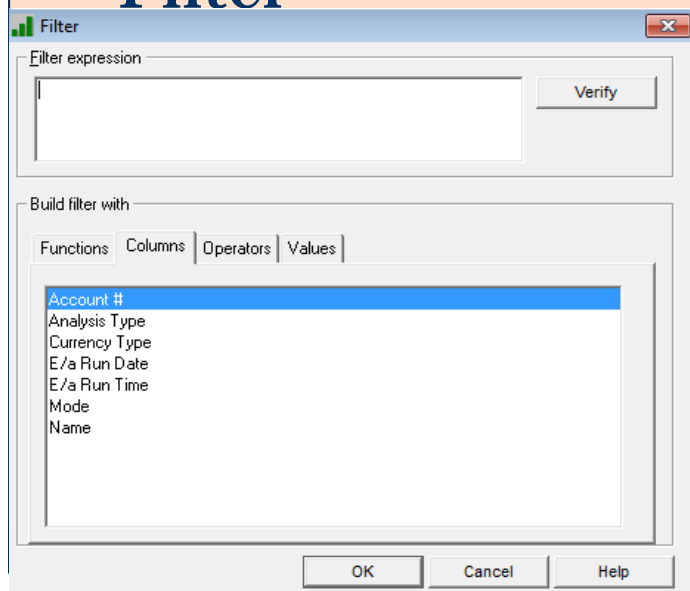
Escrow Analysis Run Date: 02/09/2015 to 02/09/2015

Escrow Analysis Run Time: 02:48:48 PM

Run type: TEST

OK Cancel Help

Find



Filter

Filter expression

Verify

Build filter with

Functions Columns Operators Values

Account #

Analysis Type

Currency Type

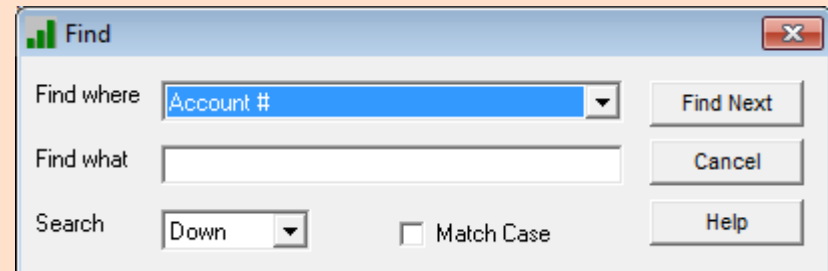
E/a Run Date

E/a Run Time

Mode

Name

OK Cancel Help



Find

Find where: Account #

Find what:

Search: Down

Match Case

Find Next

Cancel

Help



# Right Mouse Options - Notes

**Escrow Analysis Inquiry**

Account # (blank for all):  to

Escrow Analysis Run Date: 00/00/0000 to 00/00/0000

Escrow Analysis Run Time: 00:00:00 AM to 00:00:00 AM

Mode:

Account #	Currency Type	Name	E/A Run Date	E/A Run Time	Mode	Ang
10020001	US DOLLARS (USD)	M EOM no cal	02/09/2015	02:48:48 PM	TEST	
10020001	US DOLLARS (USD)	M EOM no cal	02/09/2015	02:17:54 PM	TEST	
10020001	US DOLLARS (USD)	M EOM no cal			TEST	
10020003	US DOLLARS (USD)	M EOM to rf			TEST	COMBIN
10020001	US DOLLARS (USD)	M EOM no cal			TEST	
10020026	US DOLLARS (USD)	M ac thr no c			TEST	AGGR
10020026	US DOLLARS (USD)	M ac thr no c			TEST	AGGR
10020026	US DOLLARS (USD)	M ac thr no c			TEST	AGGR
10020001	US DOLLARS (USD)	M EOM no cal			TEST	
10020026	US DOLLARS (USD)	M ac thr no c			TEST	HUD
10020026	US DOLLARS (USD)	M ac thr no c			TEST	HUD
10020026	US DOLLARS (USD)	M ac thr no c			TEST	HUD
10020026	US DOLLARS (USD)	M ac thr no c			TEST	HUD
10020003	US DOLLARS (USD)	M EOM to rf			TEST	HUD
10020003	US DOLLARS (USD)	M EOM to rf	12/17/2014	11:59:25 AM	TEST	HUD

Export...

Print Notice/Letter

Print Report

Mode Change

Loan Review Change

Delete

Notes

Filter...

Find...

# Right Mouse Options - Notes

Notes

Account #: 10020001

**Filter**  
Note Type: E/A (EA) Date From: 00/00/0000 Date To: 00/00/0000  
Created By: Reference:

Date	Note Type	Reference	Created By	Note Text 1	No
	EA		KATH		

**Details**  
Note Type: E/A (EA) Reference: Note Seq#:   
Date: Created By: KATH

OK Cancel Apply Help

# Let's Talk about Mode



- There are 5 modes
  - Test – a successful E/A has been run. It will not go into production until the mode has been switched to Live
  - Live – the new information will update the files on the effective date
  - Updated – the files have been updated
  - Review – this will be reviewed later in the presentation
  - Error – Something is not right with the E/A

## Other Important Information



- Parameters in the System Control Escrow file can be overridden when the E/A is going to be run.
- E/A is run from Escrow Processing

The image shows a screenshot of a software dialog box titled "Run Escrow Analysis". It features two radio buttons at the top: "Individual Analysis" (selected) and "Group Analysis". Below these are three main sections: "Run Parameters", "Individual Analysis", and "Group Analysis". The "Run Parameters" section includes fields for "1st Payment Effective Date" (01/2015), "Override % Increase/Decrease" (NO (N)), and "Override System Control" (NO (N)). The "Individual Analysis" section includes an "Account #" field (10020017) with a "Search" button, and a "New Next Escrow Analysis Date" field (00/00/0000). The "Group Analysis" section includes an "Escrow Analysis Date" field and a "Selection Options" label. At the bottom are "OK", "Cancel", and "Help" buttons.

Section	Field	Value
Run Parameters	1st Payment Effective Date	01/2015
	Override % Increase/Decrease	NO (N)
	Override System Control	NO (N)
Individual Analysis	Account #	10020017
	New Next Escrow Analysis Date	00/00/0000
Group Analysis	Escrow Analysis Date	
	Selection Options	

# HUD Aggregate



- Follow all the HUD regulations
  - RESPA allowed low point
    - ✦ Defines the Overage/Shortage amount
  - 12 month basis
  - Escrow Analysis Method
    - ✦ Project Payments and Disbursements
    - ✦ History from prior Analysis

# HUD Aggregate



- Aggregate Escrows 1, 2, and 4 Balances
  - Disbursements
  - Current Status
    - ✦ Display Aggregate Escrow Constants
    - ✦ Display Aggregate Escrow Balances

# HUD Parameters



- **CPI % (Consumer Price Index)**
  - Acts like Percent Increase/Decrease in System Control file
- **HUD Cushion**
  - This is a fraction of the annual amount of escrow to be disbursed, that should be considered as an acceptable low point.
  - It is expressed as 01 /06 or 01 /12
    - ✦ Field on Master Info ->Esc/LateCHG/Default
    - ✦ HUD Cushion

# Non- HUD Aggregate Parameters



- Has some of the HUD characteristics
  - Escrow Analysis Method
    - ✦ Cushion
    - ✦ Low point
    - ✦ 12 month basis
    - ✦ Project Payments and Disbursements
- No History is Created



# Non-HUD Aggregate



- **CPI % (Consumer Price Index)**
  - Acts like Percent Increase/Decrease in System Control file
- **HUD Cushion**
  - This is a fraction of the annual amount of escrow to be disbursed, that should be considered as an acceptable low point.
  - It is expressed as 01/06 or 01/12

# Aggregate and Combined Balances Parameters



- **Overages/Shortages – Create a second Constant**
  - Shortage Threshold
    - ✦ If the shortage Amount is less than escrow Shortage Threshold amount, it must be repaid by the number of payments for the shortage threshold amount.
    - ✦ Number of payments to amortize
  - Overage threshold amount
    - ✦ If during the analysis a loan has an overage amount that is greater than the escrow overage threshold amount, a rebate transaction will be automatically processed at the time the new escrow constants take effect in the system.

# HUD & (Non-HUD) Aggregate

Escrow Analysis Inquiry => 010020017 [USD] - M EOM thru rb

Analysis Type: HUD ESCROW ANALYSIS CODE

Summary

**Detail**

HUD Actual Sur

HUD Actual Det

HUD Outstanding

Second Consta

Expected Bal

Escrow Info

Misc Info

Vendor Info

Tax Pmt Info

Constant Comp

Adj Annual Amt

Run Params

Escrow Change

System Control

System Control

Mode: TEST RUN

Escrow Analysis Run Date: 12/17/2014 Escrow Analysis Run Time: 10:18:22 AM

Month	Payments	Disbursements	Description	Current Balance	Required Balance
			<b>BEGINNING BALANCE</b>	<b>15,000.01</b>	<b>18,583.34</b>
JAN 2015	5,958.33	.00	PAYMENT	20,958.34	24,541.67
FEB 2015	5,958.33	.00	PAYMENT	26,916.67	30,500.00
FEB 2015	.00	30,500.00	HAZARD	-3,583.33	.00
MAR 2015	5,958.33	.00	PAYMENT	2,375.00	5,958.33
APR 2015	5,958.33	.00	PAYMENT	8,333.33	11,916.66
MAY 2015	5,958.33	.00	PAYMENT	14,291.66	17,874.99
JUN 2015	5,958.33	.00	PAYMENT	20,249.99	23,833.32
JUL 2015	5,958.33	.00	PAYMENT	26,208.32	29,791.65
AUG 2015	5,958.33	.00	PAYMENT	32,166.65	35,749.98
SEP 2015	5,958.33	.00	PAYMENT	38,124.98	41,708.31
OCT 2015	5,958.33	.00	PAYMENT	44,083.31	47,666.64
NOV 2015	5,958.33	.00	PAYMENT	50,041.64	53,624.97
NOV 2015	.00	40,999.99	COUNTY TAX	9,041.65	12,624.98
DEC 2015	5,958.33	.00	PAYMENT	14,999.98	18,583.31

## Combined Balances



- Escrow Analysis has line items like the Regular Analysis but processes like the Aggregates
  - Line item presentation
- NOT subtotaled within each escrow
  - Grand total

# Combined Balances



Escrow Analysis Inquiry => 010020017 [USD] - M EOM thru rb      Analysis Type: COMBINED BALANCES

Mode: TEST RUN

Escrow Analysis Run Date: 12/17/2014      Escrow Analysis Run Time: 12:12:13 PM

Escrow	Vendor	Annual Amount	Monthly Calculated Amount	Disbursement Date	Type Paid	Months Required	Required Escrow	M
1	F001	40,999.99	3,416.67	12/01/2015	FL	1	3,416.67	12
2	001	30,500.00	2,541.67	02/01/2015		11	27,958.37	12
Total		71,499.99	5,958.34				31,375.04	

## Disbursements using Aggregate Balance



- When Tax or Insurance bills are analyzed to determine if there are enough funds, the balances in Escrow 1, Escrow 2 and Escrow 4 are totaled & then considered.
- The system generated disbursements automatically create any debits and credits that might be needed to move funds.

# Escrow Analysis Parameters



- Used for the Regular Escrow Analysis

# Analysis Parameters (1)

Escrow Constant Parameters			
	Escrow 1	Escrow 2	Escrow 4
Analyze Escrow:	YES (Y) ▾	YES (Y) ▾	YES (Y) ▾
Additional Analysis:	SHT/SR CHG (Y) ▾	SHT/SR CHG (Y) ▾	SHT/SR CHG (Y) ▾
# of Months to Divide By:	12	12	12
Annualize Amount:	ANNUALIZE (1) ▾		
Increase/Decrease %:	0.00000	0.00000	0.00000
CPI %:	0.00000	0.00000	0.00000
Bill Shortages as Escrow Deficit:	NO (N) ▾	NO (N) ▾	NO (N) ▾
Cushion Number of Months:	0	0	0
Required Balance Sched Pmt Exclusion Days:			
Amount to Trigger Review:			
Bill Status Code 3 Use Inflation Factor:	▾	▾	▾
Forced Place Escrow Type: ▾			
Review Forced Place Escrow: ▾			



# Analysis Parameters (1)



- **Additional Analysis**

- A Calculate Shortage/Surplus Change Pmt for Shortage
- B Calculate Shortage/Surplus Change Pmt for Surplus
- N Do Not Calculate Shortage/Surplus
- G Calculate Shortage - Change Payment
- H Calculate Shortage No Payment Change
- Y Calculate Shortage/Surplus Change Payment
- Z Calculate Shortage/Surplus No Change
- S Calculate Surplus - Change Payment
- T Calculate Surplus No Payment Change

# Analysis Parameters (1)



- # of Months to divide by
  - Used in the New Basic Constant Calculation
  - The annualized escrow amount will be divided by this number
  - And this number should always be 12
- Annualize Amount
  - 0 – Tax amount due /Frequency of disbursement
  - 1 – Calculation based on tax amount fields & frequency of disbursements
  - 2 – Custom

# Analysis Parameters (1)



- **Increase/Decrease %**
  - Regular or Combined Balances
- **CPI%**
  - HUD or Non-HUD Aggregate
- **Bill Shortages as Escrow Deficit**
  - Set to NO
- **Cushion Number of Months**
  - Regular or Combined Balances

# Analysis Parameters (1)



- Required Balance Schedule Payment Exclusion Days
  - Let's Break this down

# Required Balance Schedule Payment Exclusion Days



<b>Analysis Run Date</b>	<b>9/10</b>
<b>Effective Date of Analysis</b>	<b>10/1</b>
<b>Last Tax Paid</b>	<b>7/19</b>
<b>Payments Used in Required Balance Calc</b>	<b>7/1, 8/1, 9/1</b>
<b>Required Balance</b>	<b>New Constant * 3</b>

Logic Prior to addition of  
'Required Balance Scheduled Payment  
Exclusion Days'

## Required Balance Schedule Payment Exclusion Days



- The objection to this calculation is the including of the 7/1 payment in the Required Balance. In theory the payment was due before the disbursement date and will be available for the disbursement.
  - 7/1 payment was used in the 7/19 Tax disbursement
  - Required balance overstated
  - Larger amount of a shortage

## Required Balance Schedule Payment Exclusion Days



- When calculating the Required Balance should the system always exclude the Scheduled payment due in the same month as the disbursement date?
  - NO – certainly if the payment is due AFTER the disbursement date, it should be considered as part of the required balance
  - Yes - if the payment is due BEFORE the disbursement date
    - ✦ How many days before the disbursement should be considered?

## Required Balance Schedule Payment Exclusion Days



- A scheduled payment will be excluded from the Required Balance calculation if the number of days between the Payment Due date and the escrow disbursement date is greater than the value in this new parameter.

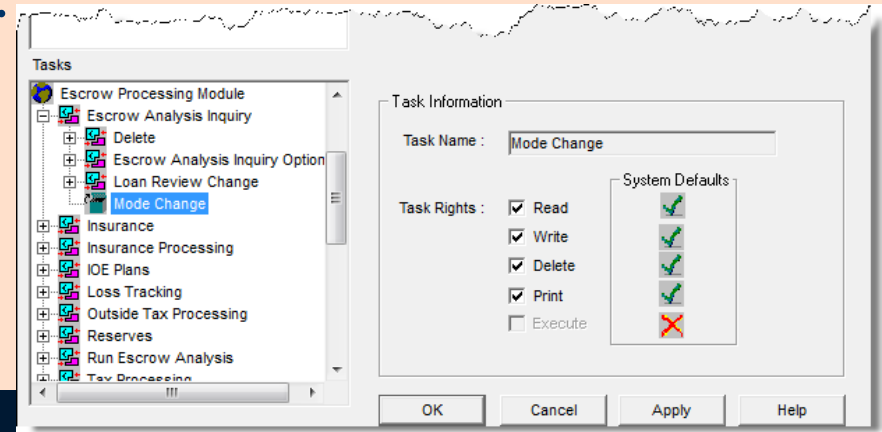


# Analysis Parameters (1)

Escrow Constant Parameters			
	Escrow 1	Escrow 2	Escrow 4
Analyze Escrow:	YES (Y) ▾	YES (Y) ▾	YES (Y) ▾
Additional Analysis:	SHT/SR CHG (Y) ▾	SHT/SR CHG (Y) ▾	SHT/SR CHG (Y) ▾
# of Months to Divide By:	12	12	12
Annualize Amount:	ANNUALIZE (1) ▾		
Increase/Decrease %:	0.00000	0.00000	0.00000
CPI %:	0.00000	0.00000	0.00000
Bill Shortages as Escrow Deficit:	NO (N) ▾	NO (N) ▾	NO (N) ▾
Cushion Number of Months:	0	0	0
Required Balance Sched Pmt Exclusion Days:			
Amount to Trigger Review:			
Bill Status Code 3 Use Inflation Factor:	▾	▾	▾
Forced Place Escrow Type: ▾			
Review Forced Place Escrow: ▾			

# Analysis Parameters (1)

- Amount to Trigger Review
  - If the shortage or overage is greater than the entered value, the mode field will be updated with a code of REVIEW.
  - Use the Escrow Analysis Inquiry window filtered on REVIEW mode and review the analyses.
  - Need Security for this access



# Analysis Parameters (1)



- Amount to Trigger Review – continued
  - After reviewing the issue, the Escrow Analysis Mode can be changed from Review to either Test or Live

A screenshot of a software dialog box titled "Loan Review Change". The dialog box contains the following information:

Account #:	210000001	Mode:	REVIEW
Escrow Analysis Run Date:	07/03/2013		
Escrow Analysis Run Time:	10:55:55 AM		

Below this information is a section labeled "Change to Mode:" with a dropdown menu showing "TEST" and "LIVE" options. At the bottom of the dialog box are three buttons: "OK", "Cancel", and "Help".

## Analysis Parameters (1)

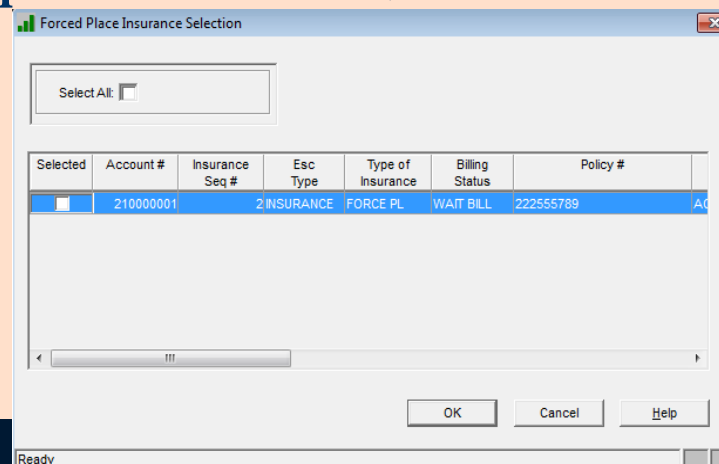


- **Bill Status Code 3 Use Inflation Factor**
  - This is a Y/N field
  - Bill Status Code 3 = Tax Bill Entered
  - If the Increase/Decrease field has been populated should newly entered amounts also be adjusted or not.
- **Forced Place Escrow Type**
  - Drop down to Code ID 50 – Insurance Escrow Type
- **Review Forced Place Escrow**
  - Drop down to Code ID YN– YES/NO

# Forced Place Insurance



- If Y was selected when running the E/A a box will be displayed showing the loans that are part of this analysis group that have Forced Place Insurance.
  - If this insurance should be part of the E/A, click on the selected field or select ALL.



## Analysis Parameters (2)

The screenshot shows a software window with a title bar and a menu bar. The main content area is divided into two sections. The first section, 'Escrow Constant Parameters', contains five rows of settings, each with a label and a dropdown menu. The second section, 'Overage / Shortage Parameters', contains five rows of settings, each with a label and a text input field. The window has a light blue header and a light gray body. The background of the slide is orange with a dark blue footer bar.

Escrow Constant Parameters	
Use Additional Tax Pmt Fields:	YES (Y)
Hud Cushion:	00/00
Round Total Pmt up to Nearest \$1.00:	YES (Y)
Consider Lien Amounts:	NO (N)
Consider Abatements:	NO (N)

Overage / Shortage Parameters	
# of Payments to Amortize Overage/Shortage:	3
# of Payments to Amortize Shortage Threshold:	0
Shortages Amortized Prior to Next Disbursement:	
Shortage Threshold Amount:	0.00
Overage Threshold Amount:	0.00

## Analysis Parameters (2)



- Use additional tax payment fields - Yes/No used with Annualize amount
  - 4 Tax Bill Amounts
- HUD Cushion default value or use the individual amount in the Master file
- Round to the nearest dollar
- Consider Liens - No
- Consider Abatements - No

## Analysis Parameters (2)



- **Overage/Shortage Parameters**
  - # of Payments to Amortize Overage/Shortage
    - ✦ Regular & Combined Balances
  - # of Payments to Amortize Shortage Threshold
    - ✦ Non-HUD Aggregate
  - Shortage Threshold Amount
  - Overage Threshold Amount

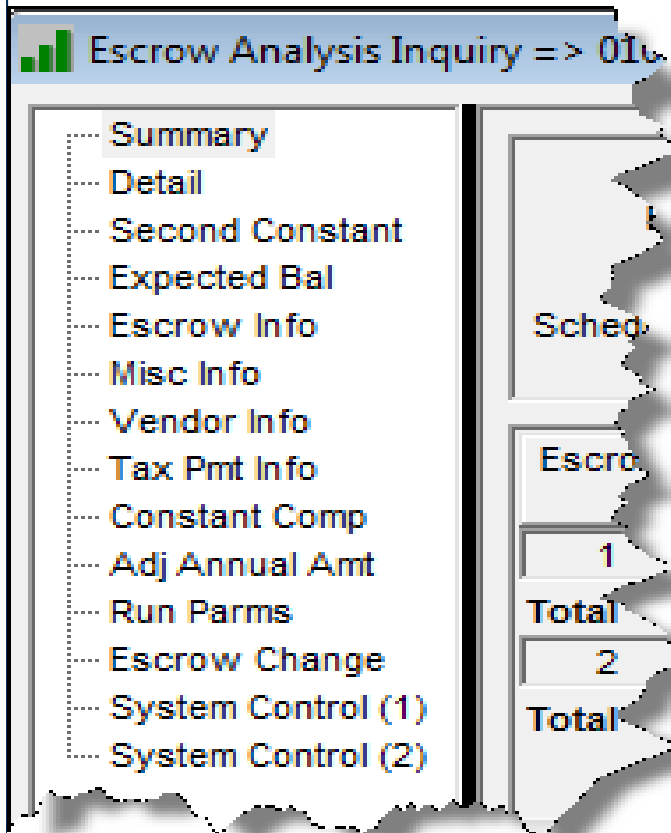


## Analysis Parameters (2)



- **Overage/Shortage Parameters - continued**
  - Shortages Amortized Prior to Next Disbursement – Y/N
    - ✦ The system will calculate the amort period
    - ✦ For each loan being analyzed, each escrow record being analyzed will be reviewed to see if there are any disbursements scheduled prior to the shortage being collected.
      - If so the Amort period will be adjusted to match the length to the first disbursement
      - If not the original Amort period will remain

# Escrow Analysis Inquiry



- Different Items on Left Hand Panel depending on Method for the E/A and parameters chosen

*Questions ?*

*Answers !*