



Escrow Shortage Spread Period Request Form

Escrow Shortage Spread Requirements	<ul style="list-style-type: none"> ○ If an escrow account analysis indicates that your escrow account has a shortage that is equal to or greater than 2 months' escrow payments, BBVA Compass will permit you to repay, or spread, the shortage over a period exceeding 12 months. ○ You, as a mortgagor on the loan, must make a written request to the Escrow Department, as described below, to spread your shortage for more than 12 months. ○ An escrow spread must be due to an increase in property tax or insurance payments. ○ Your request for an escrow spread does not guarantee approval. ○ The maximum length of the spread will be determined by comparing the amount of your shortage to the amount of your previous escrow payment. Refer to the FAQ for additional details. ○ An escrow spread will have no effect on your principal and interest payments. ○ Any changes to escrow related to default, foreclosure, or bankruptcy must be requested as part of the overall solution for the mortgage. ○ Revised spread amounts will be effective with the next periodic payment if the account is current. If the account is up to 60 days delinquent then the revised payment can be assigned in the month when the signed request was received.
What to Expect After Submitting a Request	<ul style="list-style-type: none"> ○ If the spread request is not approved, then you will receive a letter indicating the spread did not meet the above criteria. ○ If the request is approved, then BBVA Compass will reduce the monthly spread amount to be equal to the shortage amount divided by the maximum spread period, unless you indicate a shorter period. <u>This spread amount will be effective until the date of your next escrow analysis.</u> ○ If your next escrow analysis indicates that your account still has a shortage that is equal to or greater than 2 months' escrow payments, then, at that time, you will need to submit another request to continue the shortage spread over a period exceeding 12 months. Future requests will take into consideration the last approved shortage spread amount.
Required Action	<p>If you believe you meet the above requirements for spreading your escrow shortage, please complete, sign, and date the form below. You may either fax the completed form to 205-524-8254 OR mail the form to the following address:</p> <p>BBVA Compass Escrow Department P.O. Box 830953 Birmingham, AL 35283 ATTN: Escrow Shortage Spread Request</p>

Requested Months to Spread (circle one): Maximum Allowed 24 36 48 60

Contact Information

Borrower First and Last Name _____

Loan Number _____

Property Address _____

Email _____

Phone Number _____

Signature: _____ Date: _____

How do you determine maximum number of months to spread?

We determine the maximum number of months to spread your escrow shortage by comparing the amount of your shortage to the amount of your previous periodic escrow payment. In general, if your shortage equals at least 2 months' escrow payments, you may be granted a 24 month spread. If the shortage equals at least 3 months' escrow payments, you may be granted a 36 month spread. If the shortage equals at least 4 months' escrow payments, you may be granted a 48 month spread. And finally, if the shortage equals at least 5 or more months' escrow payments, you may be granted a 60 month spread.

Below are the steps we use to determine the maximum number of months that a shortage will spread. You can either determine the number of months for yourself or complete the request and we will calculate the amount during our review. The below example will allow for a 24 or 36 month spread. Please note that the current payment is based on a 12-month spread.

	Value Needed or Calculation	Instructions	Example	Your Values
A	Previous Annual Disclosure "Total Amount Per Payment"	Obtain the "Total Amount Per Payment" amount on Escrow Disclosure <u>from the previous Annual Analysis</u> . See A on image below about where to find value.	\$431.52	
B	Most recent disclosure Shortage Amount	Obtain the "Total Shortage Amount" <u>from the current Escrow Disclosure</u> . See B on image below about where to find value.	\$1,455.36	
C	Number of Payments Increased (A divided by B)	Divide Escrow Shortage by Base Escrow Payment (i.e., B / A).	3.37 payments (\$1,455.36 / \$431.52)	
D	Round Number of Payments Increased	A fraction of a payment will round up at 0.5 and above otherwise it will round down. For example, 2.45 will become 2 and 2.50 will become 3.	3 payments	
E	Maximum Years to Spread	If the rounded number of payments (D) is greater than 5 then enter 5	3 years	
F	Max Months to Spread	Multiply Maximum Years to Spread (E) by 12	36 months (3 x 12)	
G	Lowest Spread Amount	Divide Shortage Amount (B) by Max Spread Months (F).	\$40.43 (\$1,455.36 / 36)	

Escrow Item	Next Due	Projected Disburseals	Div By Pmts Due Per Disb	Amount Per Payment
HAZARD INS	07/15	\$12.00	12.00	\$1.00
RE PROPERTY TAX	11/14	\$12.00	12.00	\$1.00
Total		\$24.00		\$2.00

Surplus or Shortage Calculation

Projected Low Balance	\$142.74	
+ Cushion	\$202.18	
= Target Balance	\$344.92	
Current Escrow Bal	\$65.54	
+ Anticipated Payments	\$270.40	
- Anticipated Disbursement	\$0.00	
Anticipated Escrow Bal	\$335.94	
- Target Balance	\$344.92	
= Shortage Amount	\$8.98	



New Payment Calculation

Total Amount Per Pmt	\$431.52	
+ Other Escrows	\$0.00	
+ Shortage Spread	\$4.00	
+ Rounding Factor	\$0.00	
= New Escrow Payment	\$435.52	
+ Principal & Interest	\$77.38	
= Total New Payment	\$512.90	



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 monthly payments to ensure you have enough money to pay those bills when they come due. The requirement to have an escrow account was determined at closing.

How did I get a shortage?

An escrow shortage occurs when the anticipated disbursements were higher than the actual disbursements since your last escrow analysis disclosure was provided.

How will spreading my shortage impact affect me?

If your request to spread your shortage is granted, it will take longer to become current with your escrow account. This may lead to a higher payoff amount, should you refinance or want to pay off your loan.

Does the shortage spread last for the period that is approved?

No. The spread period is used to determine the payment amount. Because an escrow spread may lead to a higher payoff amount and your financial situation may change we require that a request be made each time your escrow payment is changed. Typically, an escrow payment change will occur annually with your escrow disclosure statement.

Will the Requested Months to Spread that I select always be approved?

Typically a shortage spreads will be 24 or 36 months. Your request will be reviewed based on the Escrow Shortage Spread Requirements outlined on the request form. The review may result in our acceptance of the request as is, an approval with a change in the months to spread, or the request may be declined. You will receive either a payment change letter with the new payment information or a letter that your request has been declined.

Can a shortage be avoided?

An escrow shortage is often driven by increases in tax or insurance payments over what was anticipated when we produced your last Escrow Analysis Disclosure.

While we take every precaution to ensure your escrow account is maintained accurately throughout the year and all escrow obligations are accurately paid in a timely manner, there are things you can do to ensure your account is accurate.

1. Promptly notify us of any changes in your tax and/or insurance situation that are not part of the standard billing cycle. For example, you have a new insurance carrier.
2. Review your Escrow Analysis Statement when it arrives. While you need to review the entire statement, the following are two key areas to be reviewed:
 - A. The escrow line items shown on page 1: Ensure the accuracy of the items. This includes the due dates and projected disbursement amounts. For example: Are the tax and insurance (hazard) payments accurate? Are all payment entities such as hazard and flood insurance included, if required?
 - B. The escrow account history: This shows the actual payments (credits) and disbursements (debits) made to your Escrow account each month.

How do I dispute a tax or insurance payment amount?

You should first contact the tax collectors office or insurance agent to have them answer initial questions. We cannot act on your behalf concerning a dispute regarding taxes or insurance with your tax collector or insurance agent. We can only pay a bill on your behalf. If the issue is a payment issue then please contact us.

What are the requirements for spreading my escrow shortage?

The requirements are located at the top of the Escrow Shortage Spread form.

Who determines the guidelines being used?

As part of managing the Escrow process, BBVA Compass complies with all applicable laws, rules, and regulations. Per your Mortgage or Deed of Trust an escrow account can be placed on the loan.

I believe I have met the requirements for spreading my shortage, what do I do next?

Complete the Escrow Shortage Spread form, which will serve as your written request. You can obtain the form from the BBVA Compass web site or by calling Customer Service at 800-239-1996.

Completed and signed forms need to be sent to the BBVA Compass 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 to taxes or insurance need to be reported to BBVA Compass. 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.bbvacompass.com/contact/	Provides list of contacts
Client Advocate Unit Payment Assistance	877-841-8144 Clientadvocateunit.us@bbva.com	Utilize when you have a financial hardship which is preventing you or will prevent you from making your mortgage payment.

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 Compass Bank, PO Box 10184, Birmingham, Alabama 35202.