

BE A *smart* HOMEOWNER!

KEEP AN EYE ON YOUR ESCROW

Having an escrow account can be super convenient. You make your monthly mortgage payment, and a portion of it goes into the account to automatically cover required property taxes and insurance premiums when they're due.

Your mortgage servicer handles escrow payments for you. But you should still be proactive in making sure you avoid an escrow shortage.

WHAT'S AN ESCROW SHORTAGE?

- Happens when the minimum balance in your escrow account isn't enough to cover projected property taxes and insurance premiums for the next year.
- You pay an escrow shortage in a lump sum payment or over 12 months as an added cost to your monthly mortgage payment.
- The most common cause is an increase in property taxes or homeowners insurance.

PROACTIVE STEPS YOU CAN TAKE NOW

- Check mortgage statements for unexpected changes to your total monthly payment.
- Pay attention to property tax trends and other info sent by your county tax office.
- Shop around to make sure you're paying the best rate you can on insurance.
- Plan ahead by setting money aside in case you have a shortage.

DON'T FORGET TO BOOK YOUR ANNUAL MORTGAGE REVIEW

Contact me to learn more!

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