

Loan Summary

Projections for Coming Year

Computations of Your Escrow Account

Anticipated Escrow Balance -

Target Escrow Balance -

New Payment Breakdown

Changes to Your Monthly Payment

- **If your payment increased**, it's often due to an increase in your taxes or insurance within the last 12 months.
- **If your payment decreased**, it may be due to a surplus from overestimated property taxes or insurance. You may choose to return the surplus to your escrow account.

1st Security Bank of Washington
 PO Box 97000
 Lynnwood WA 98046

Statement Date: 07-10-2025

Account Number: 515000000
 Escrow Balance: \$2,298.85

For Customer Inquiries Call:
 (800) 683-0973 Ext. 2327

John Smith
 Jane Smith
 123 Main Street
 Mountlake Terrace WA 98043

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT
PROJECTIONS FOR COMING YEAR 09-2025 THRU 08-2026

This is an estimate of activity in your escrow account during the coming year based on payments anticipated to be made from your account.

Month/ Year	Payments To Escrow Account	Payments From Escrow Account	Description	Projected Escrow Balance
Required Starting Balance.....				3,637.24
09-2025	606.20	0.00		4,243.44
10-2025	606.20	3,209.72	King County	1,639.92
11-2025	606.20	0.00	Travelers	1,391.12
12-2025	606.20	0.00		1,997.32
01-2026	606.20	0.00		2,603.52
02-2026	606.20	0.00		3,209.72
03-2026	606.20	0.00		3,815.92
04-2026	606.20	3,209.72	King County	1,212.40
05-2026	606.20	0.00		1,818.60
06-2026	606.20	0.00		2,424.80
07-2026	606.20	0.00		3,031.00
08-2026	606.20	0.00		3,637.20

Under Federal Law, your lowest monthly balance should not exceed \$1,212.40 or 2 months of the anticipated payments from escrow. We chose a low balance of \$1,212.40 or 1/6th of anticipated payments from escrow. In order to achieve this low balance, your starting balance should be \$3,637.24 as shown above.

In fact, your anticipated escrow balance at the beginning of 09-2025 is \$3,395.94. This means that you have a shortage of \$241.30. This shortage may be collected from you over a period of 12 months unless the shortage is less than 1 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.

Please keep this statement for comparison with the actual activity in your escrow account at the end of the escrow computation year.

Your new monthly mortgage payment for the coming year starting 09-2025 will be \$2,444.81 of which \$1,818.50 will be for principal and interest, and \$626.31 will go into your escrow account.

Annual Escrow Analysis

Prior Payment Breakdown

Total monthly payment from the last analysis.

Comparing Prior Projections to the Actual Payments

Compare the escrow account activity that was projected at the time of your last escrow analysis with the actual escrow account activity. There are two major columns in this section:

Projected Payments -

Columns reflect the information from the last escrow analysis: the amounts expected to be paid into the escrow account and the bill amounts expected to be disbursed from your last analysis.

Actual Payments -

Columns display the actual payments made into the escrow account and the actual bill amount disbursed from the escrow account during the same period.

The amounts to be disbursed were projects -- as a result, the actual amounts paid may be different from the projected amounts. The actual amounts will affect the total escrow shortage or surplus.

Note: If 1st Security Bank did not originate your mortgage loan or if your loan was recently transferred to 1st Security Bank by another mortgage servicer, your prior projection information may not be available.

Annual Payment Information

Summary of the amount paid in and out of your escrow account since the last escrow analysis was processed.

Itemized Disbursements

Items paid from the escrow account. If a bill is not listed in this section, it may not have been paid from your escrow account.

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT
ACCOUNT HISTORY

This is a statement of the activity in your escrow account from 09-2024 up to the beginning of your new escrow computation year - 09-2025

Your monthly mortgage payment for the period was \$2,471.88 of which \$1,818.50 was for principal and interest, and \$653.38 went into your escrow account.

The following compares Actual Activity to Prior Projection:

Month/ Year	Projected Payments To Escrow	Actual Payments To Escrow	Projected Payments From Escrow	Actual Payments From Escrow Description	Escrow Balance Projected	Escrow Balance Actual
Starting Balance.....					3,557.24	2,831.16
09-24	592.87	653.38	0.00	0.00*	4,150.11	3,484.54
10-24	592.87	653.38	3211.23	3211.06*King County 855.00*Travelers	1,531.75	71.86
11-24	592.87	653.38	692.00	0.00*	1,432.62	725.24
12-24	592.87	653.38	0.00	0.00*	2,025.49	1,378.62
01-25	592.87	653.38	0.00	0.00*	2,618.36	2,032.00
02-25	592.87	653.38	0.00	0.00*	3,211.23	2,685.38
03-25	592.87	653.38	0.00	0.00*	3,804.10	3,338.76
04-25	592.87	653.38	3221.23	3209.72*King County	1,185.74	782.42
05-25	592.87	653.38	0.00	0.00*	1,778.61	1,435.80
06-25	592.87	653.38	0.00	0.00*	2,371.48	2,089.18
07-25	592.87	0.00	0.00	0.00*	2,964.35	2,089.18
		653.38		Anticipated		2,742.56
08-25	592.87	0.00	0.00	0.00*	3,557.22	2,742.56
		653.38		Anticipated		3,395.94

An asterisk (*) indicates a difference from a previous estimate either in the date or the amount.

On your prior statement, we anticipated that payments from your account would be made during the escrow computation year totaling \$7,114.46. Under Federal Law, your lowest monthly balance should not have exceeded \$1,185.74 or 1/6th of anticipated payments. We chose a low balance of \$1,185.74 or 1/6th of anticipated payments from escrow.

Your low balance which was to have occurred at the end of 04-2025 did not exceed this amount. The asterisks on this statement may help you identify the reason.

ESCROW ANNUAL INFORMATION

Paid Into Escrow	6,533.80	Paid Out of Escrow	7,275.78
------------------	----------	--------------------	----------

ITEMIZED DISBURSEMENTS

King County	6,420.78
Travelers	855.00