KNOW BEFORE YOU OWE: CLOSING TIME

Initial Escrow Disclosure

The Initial Escrow Disclosure Statement details the specific charges that you will pay into escrow each month as part of a mortgage agreement.

Breaking down the form

1. Your monthly payment includes your current payment for principal and interest on your loan plus extra money put into “escrow” for upcoming tax and insurance bills.

2. This section shows how your escrow money will be spent. Each line includes your monthly escrow payment, any disbursements (withdrawals) to pay taxes and insurance bills, and the running balance held in the account. Note that the escrow amounts could change over time. Also note that anything that is paid out of the escrow account, you will not have to pay separately.

Get a copy of the Initial Escrow Disclosure

Learn more at consumerfinance.gov/owning-a-home