



Independent Note & Contract Services, LLC

Independent Note & Contract Services, LLC
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ESCROW RESERVE ADDENDUM

This form must be completed and signed to establish an Escrow Reserve Account.

Payor(s)/Borrower(s) Name: _____

Payee(s)/Lender(s) Name: _____

Escrow Reserve fees will be paid by: If not completed, the fees will be split per our usual policy.
Establishment [] Payee [] Payor [] Split 50/50
Administration [] Payee [] Payor [] Split 50/50

An escrow reserve account will be established for the purpose of collecting and holding funds to pay property taxes and/or the annual insurance premium as outlined in the accompanying Service Agreement. The escrow reserve funds will not earn interest for the period the funds are held in trust.

Annual Escrow Analysis will be sent to the Payor, between March and April, after the county releases the property tax statements. The monthly reserve amount will be adjusted annually or as needed, by INCS, to allow for sufficient funds at the time payment disbursements are due. In the case of a deficiency, upon notification by INCS, the Payor will immediately deliver the funds requested. If the deficiency is not cured by the due date or INCS has not received the appropriate billing statement needed to execute payment, the Payor will be responsible for making the payment directly.

The Escrow Reserve Account will hold funds for the following:

[] Annual Insurance Premium to _____
Payment Remittance Address _____
Policy ID # or Account # _____
Was the ANNUAL premium paid at closing? [] Yes [] No (see below)
The ANNUAL premium amount is \$ _____
The next ANNUAL premium is due _____ (date)

If an Escrow Reserve Account is being established as a stand-alone service (no loan payments), please check here.
[] Stand Alone

Please note: INCS operates under the assumption that the annual premium is paid before the account is in our care. The funds we collect over the course of the first year are to pay the following year's premium. If the premium was not paid at closing, the borrower is obligated to make the first year payment and provide proof to the lender.

If an insurance policy is cancelled and/or changed between the annual premium payments, the payor is responsible for notifying INCS within 10 business days of the change. Payor will need to pay any difference that occurs between the old and new policies.

Property Taxes for _____ County

The Taxes are due: (check and date)

Semi Annually on _____ and _____ (dates) **OR** Annually on _____ (date)

Parcel Id or Number(s) to be paid _____

The next payment is due _____ (date) *Property Taxes must be current.

Additional Impound Disbursements: (additional fees apply)

Other _____ The item specified is due: (check and date)

Annually on _____ (mm/dd)

Payment Remittance Address _____

Reference or Account Number _____

The current ANNUAL amount is \$ _____ The next payment is due _____ (date)

By signing this Addendum, you are entering into a written agreement with INCS to pay the items listed in this agreement, on or before the due dates. You agree to provide INCS with the funds necessary to complete these transactions and satisfy the cushion for the reserve account. In the case where you, as the borrower, have not provided INCS with substantial funds to pay your obligations outlined, you agree that you will be responsible for making the payment. In addition, you understand that you are responsible for supplying INCS with the appropriate billing statement, prior to the payment due date. Statements must be received within enough time to allow for processing and mailing. If statements are not received, payment will again be your responsibility. INCS is not the Mortgagee and does not advance funds, in the case of a delinquency.

X _____
Payor/Borrower Signature Date

X _____
Payor/Borrower Signature Date

If an Escrow Reserve Account is being established as a condition of the contract and/or agreement, both parties must sign this Addendum. If the Payee/Lender does not sign this form, the Reserve Account becomes optional and may be cancelled by the borrower.

X _____
Payee/Lender Signature Date

X _____
Payee/Lender Signature Date