

# Frequently Asked Questions

## Payments

### **What if I sent my payment to the corporate office in Texas, but it's due to the servicing department in New Jersey?**

Don't worry. The corporate office will overnight the payment to our servicing department. Under Federal law, during the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by Highlands on or before its due date may not be treated as late, and a late fee may not be imposed on you.

### **What if I'm not able to make my payment on time?**

Call us as soon as possible at (855) 753-6204. We're here to help you! Whether your challenges are temporary or long term, one of our representative will work with you to find a solution for your unique situation.

### **Why did my payment amount change?**

The amount due can change if:

- Your monthly escrow payment amount changes after the annual escrow analysis,
- You have an adjustable rate mortgage, or
- You modified your loan.

If you are set up on ACH Draft, we will automatically draft the new payment amount.

## Escrow

### **What is an escrow account?**

An escrow account is established to manage property taxes and insurance premiums for your home. Each month, part of your monthly payment is applied to your escrow account. When your taxes and insurance premiums become due, Highlands uses the funds in your escrow account to make the payment.

### **What is an escrow analysis, and when is it performed?**

By law, we are required to perform an escrow analysis each year. Property taxes and insurance premiums may increase or decrease, so we review your escrow account balance to make sure there is enough money to cover future property tax bills and insurance premiums. We'll send you an escrow analysis statement after each review to let you know of any changes to your payment amount. For information on your specific property taxes or insurance costs, contact your local tax office or insurance provider.

### **What is an escrow shortage?**

An escrow shortage means that your escrow account does not have enough funds to cover future tax bills and/or insurance premiums. You can pay your shortage in full, or spread the shortage amount over a 12 month repayment period. Shortages are often the result of an increased tax bill or insurance premium.

### **What is an escrow surplus?**

An escrow surplus means that your escrow account has more money than what is required to cover future tax payments and/or insurance premiums. If your surplus is greater than \$15 and your account is current, we will mail you a check for the surplus amount. If your loan is delinquent, the surplus amount (regardless of amount) will remain in your escrow account until the next scheduled escrow analysis. If your surplus is \$15 or less, the surplus amount will remain in your escrow account.

## Insurance Claims

### **My home recently suffered property damage. What do I need to do?**

If you have property damage, call your insurance provider first to file a claim. Then call us at (855) 753-6204 to notify us of the claim. We will mail you a claim package with details about our process.

Because Highlands has a financial interest in your home, the claim check will likely be payable to Highlands, and you. Depending on the dollar amount of the claim check, we may either:

- Endorse the check and return it to you, or
- Deposit the check and disburse funds in increments as the repairs are completed.

You can also file and track your insurance claim check online: [www.insuranceclaimcheck.com](http://www.insuranceclaimcheck.com)

## Private Mortgage Insurance

### **How do I remove my private mortgage insurance (PMI) coverage?**

Call us at (855) 753-6204 to see if you are qualified to remove PMI coverage from your loan. If your loan meets all the requirements, we will be happy to walk you through the removal request process.

