



Madison Management Services, LLC

Frequently Asked Questions

Important Qualification Criteria

In order to qualify for an escrow account, ALL of the following must apply:

- Your loan payments are current
- Your loan cannot be in foreclosure or you cannot be in active bankruptcy
- Any negative escrow balance (from a previous escrow account on your current loan) must be less than \$250
- Your loan cannot have delinquent property taxes outstanding
- There must be no tax and/or insurance payments due in the next 60 days
- Your hazard/flood insurance must be a voluntary policy and not a forced placement of insurance by the lender

Why should I set up an escrow account for my taxes and insurance?

A tax and insurance escrow account allows you to set aside money each month for these inevitably very large expenses and ensures that there are sufficient funds to pay these very important bills. An escrow account is a little peace of mind in a hectic world. You will have to pay a little more each month in addition to your regular mortgage payment, but the money will be used to pay future tax and insurance bills.

When will my account be set up?

Assuming your account meets all of the criteria listed above; the escrow account should be set up within 3 weeks of receipt of your application. We will send you a letter confirming the establishment of the escrow account and you will see the request for the first escrow payment on your regular statement.

Does Madison Management collect funds in the escrow account for anything else?

We collect funds only for your tax and insurance obligations plus a small cushion for inevitable increases in tax burden or insurance premiums. Your escrow account is reviewed annually to ensure that the amount we collect is appropriate. Therefore, the amount we collect for taxes and insurance may go up or down depending on the amounts we actually disperse from the escrow account.

Where can I find my loan number?

Your loan number is located on your monthly statement. If you have misplaced your statement, please contact one of our Specialists toll free at (877) 563-4164 and we can provide you with your loan number.

Can Madison Management pay my property taxes through the escrow account while I pay the insurance premiums myself?

Absolutely. You can direct Madison Management to pay only your property taxes, only your property insurance premiums, or both. Just check the appropriate box in section 2 of the application. If you decide to pay either the taxes or insurance premiums yourself, you will be solely responsible for these obligations.

Can I close my escrow account at a later date?

Yes, you can always change your preferences regarding your escrow account. In order to close your account, please complete the Escrow Deletion Request form located on the MadisonManagement.net website and fax it to our service center.

Do you have any more questions?

If you have any questions, please call us toll free at (877) 563-4164. One of our Specialists will be happy to answer your questions or provide you with more information.