



P O BOX 1027
 SANDPOINT, IDAHO 83864
 (208) 263-4231
 www.panhandleescrow.com

LONG TERM ESCROW RESERVE ACCOUNT AGREEMENT

Please check all reserve services desired: : INSURANCE : TAX : OTHER

BUYER and/or SELLER hereby agree, in addition to the scheduled monthly payments required under this escrow account, BUYER will pay to PANHANDLE ESCROW a sum equal to 1/12th of the annual taxes, insurance or other requested service premium. Said payment to be estimated by PANHANDLE ESCROW, without liability. An additional 5% may be added to the monthly reserve payment to help ensure enough funds are held. PANHANDLE ESCROW agrees to deposit said sums in a trust account to pay said obligations annually as they become due and payable. BUYER and/or SELLER agree to pay PANHANDLE ESCROW fees for servicing and monitoring the reserve account as set forth on the current fee schedule.

It shall be the BUYERS' obligation to see that the insurance is maintained on the property in the amount of reasonable value thereof for the mutual benefit of the BUYER and SELLER. PANHANDLE ESCROW is hereby authorized to pay the renewal premiums on this policy as they become due and payable upon presentation of the premium notices. Renewal policies written through a different insurance agent for payment, unless notified by the BUYER, in writing, thirty (30) days prior to the expiration of the existing policy that a new insurance agency has been employed. The BUYER agrees to provide a replacement policy to PANHANDLE ESCROW thirty (30) days prior to the expiration of the existing insurance. It is understood that PANHANDLE ESCROW has no liability to maintain insurance coverage on the property, and is only liable for paying the tax and insurance premium invoices if presented to them for payment, and then only provided there is sufficient funds available in the account to make such payments.

PANHANDLE ESCROW will be paying taxes on a semi-annual basis and insurance or other premiums on an annual basis only. Reserve accounts will be established for monthly payment escrows only. Additional disbursements are subject to additional costs and fees. Property taxes, insurance premiums and other reserve types must be paid current prior to PANHANDLE ESCROW establishing this reserve account. PANHANDLE ESCROW is not responsible for occupancy taxed billed separately from the annual real property statement or insurances billed for any intention other than the coverage of real property.

PANHANDLE ESCROW reserves the right to discontinue service of this agreement for reasons including, but not limited to: delinquencies, insufficient funds and the providing of insufficient disbursement information.

CLOSING AGENTS: Be sure to collect a sufficient sum from your closing to cover initial reserve requirements. The initial deposit to establish the account must be calculated as follows:

INSURANCE: 2/12th of the annual insurance premium. Please obtain the renewal date and a copy of the existing policy. Please contact our office for accurate calculations if policy began in any month other than the month of closing.

TAXES: (Please use the first payment due date for Idaho tax collection. Please contact our office for accurate calculations if property located in a state other than Idaho)

**Jan- 3/12th; Feb- 4/12th; Mar-5/12th; Apr-6/12th; May-7/12th; June- 2/12th; Jul-3/12th;
 Aug-4/12th; Sep-5/12th; Oct-6/12th; Nov-7/12th; Dec-2/12th
OR a copy of the paid tax receipt and 2/12th of the total tax amount.**

In addition to the account set up fees, the initial sum to be deposited into said reserve account shall be:

_____ months insurance @ \$ _____ per month	\$	
_____ months taxes @ \$ _____ per month	\$	
_____ months other @ \$ _____ per month	\$	
Total required at set up to establish reserve account:	\$	

The breakdown for the initial escrow payments shall be as follows:

Principal and/or Interest	Monthly Reserve	Monthly service fee (if applicable)	Total Monthly Payment
\$ _____	+ \$ _____	+ \$ _____	= \$ _____

INSURANCE INFORMATION (Please include your insurance binder showing renewal date and premium amount)

Agent Name _____
Mailing Address _____
City/State/Zip _____
Phone # _____
Policy # _____

TAX INFORMATION (Please include a copy of the latest tax bill)

County/State Name _____
Mailing address _____
City/State/Zip _____
Parcel #/Property ID _____

OTHER INFORMATION: (Please list detailed description of what will be paid and include appropriate invoice or statement)

Name _____
Mailing address _____
City/State/Zip _____
Phone # _____
Account number _____

This reserve account will be reviewed periodically and any change in the installment requirements will be effective with the next payment due after notification. Monthly payments will be applied first to any outstanding service fees, then reserve payments, late fees, interested and principal if applicable. At time of payoff, all funds remaining in reserve account will be refunded to buyer unless otherwise directed. If any of the above requirements are not met, PANHANDLE ESCROW will not accept the reserve account for set-up and will return any funds to the party submitting the escrow.

This agreement is dated _____ 20_____

BUYER SIGNATURE

BUYER PRINTED NAME

BUYER SIGNATURE

BUYER PRINTED NAME

SELLER SIGNATURE

SELLER PRINTED NAME

SELLER SIGNATURE

SELLER PRINTED NAME