# Mortgage+Care

# Using Impound Accounts

Impound Accounts can be used to collect taxes, insurance, and other expenses that are paid to a third party on behalf of the borrower.

### *SET UP:*

Note: To pay third parties like Property Taxes and Insurance, you must have the **Escrow+Care Module** installed.

If there is not one already, create an IMPOUND Vendor Account. New installations should already have a Vendor called **IMPOUNDS**.

In Utilities - **Company Setup - Default Info** Tab, Set the Impound Payee to IMPOUNDS and the Impound Account to TRUST1 (or whatever name you use for your non-servicing account).

On the **Borrower Input -Property Tab**, enter a **Monthly Total** for the amound to be collected each month in the payment. The additional Annual Amounts are informational fields to keep track of what will be paid to third parties.

### *MONTHLY:*

When collecting **Monthly Payments**, the Amount Due and Amound Received will increase by the impound amount. On the payment breakdown (right side), the impound amount will also show up in the To bucket. Make sure the Vendor is set to IMPOUNDS.

Mortgage+Care will create the TRUST1 entry, but you still need to physically transfer money from one bank account to another. This transfer can be done for a group of impound collections. To do this, use **Loan+Care, Disbusements, Check Adjustments.** You can either use Investor Z-BROKER or create a 'Z account' for Impound transfers. The **From Borrower** field is not critical for these transaction because funds are already classified by Borrower. Then deposit this check in your trust account (or do an electonic fund transfer between accounts)

### *PAYING THIRD PARTIES***:**

To pay property taxes for example, create an Escrow+Care Vendor Account for the County. Then in your TRUST1 (Escrow Impound Trust Account), **Add** an entry. Include the Borrower Loan #, but select the Paid To information from the Vendor. Then print the check.

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