Impound (Escrow) Module

What is an escrow or impound account?

An impound account, sometimes called an escrow account depending on where you live, is set up by your lender to pay certain loan related expenses. The money that goes into the account comes from a portion of the periodic payment. An escrow account ensures that these expenses are paid because the lender or servicer is collecting and paying on behalf of the borrower. The most common impound accounts are for taxes and insurance, but Bryt users can use the impound module for any expense that they are collecting and paying on behalf of the borrower.

Features of the Bryt Impound (Escrow) Module include:

- The ability to add an **unlimited number of impound accounts**. In addition to property taxes and insurance premiums, the impound feature can be used to collect any obligation that the lender is paying on behalf of the borrower.
- Each impound account can be set up for a specific amount over a specific time period. Impound amounts **can be modified throughout the life of the loan** to reflect changes in the impound payment obligation.
- By default, **impound amounts are prioritized in the payment process**, meaning impound is collected before any other items are paid (including principal and interest). Users have the option of changing this when they accept the payment.
- Impound amounts are included on the schedule, payment request and any other documentation that is sent to the borrower.
- When impound payments are made to the vendor and recorded in Bryt, they are associated with a contact in the Bryt contact database. You will have a running **history of vendor payments** over the life of the loan.
- Bryt uses double entry accounting for impound accounts providing **accurate loan accounting for impound accounts**. The Bryt “register” includes all entries associated with impound accounts.