

[Date]

[Recipient Name]
[Property Address]
[City, State, Zip Code]

Account Number: [Loan Number]

Subject: Notice of Monthly Payment Adjustment

Dear [Borrower Name],

We have recently completed an annual analysis of your escrow account. This review ensures that we are collecting the correct amount to pay for your property taxes and insurance premiums on your behalf.

Based on this analysis, your monthly mortgage payment will change from **\$(Old Payment Amount)** to **\$(New Payment Amount)**. This change will take effect on **[Effective Date]**.

The adjustment is due to the following reason(s):

- [] An increase/decrease in property taxes.
- [] An increase/decrease in insurance premiums.
- [] An escrow shortage/surplus from the previous year.

Escrow Balance Summary:

- Current Escrow Balance: $[\text{\$Amount}]$
- Required Minimum Balance: $[\text{\$Amount}]$
- Resulting [Shortage/Surplus]: $[\text{\$Amount}]$

If you have a shortage, it has been spread over the next 12 months and included in your new monthly payment. If you have a surplus of \$50 or more, a check is enclosed with this letter.

Please update your records and adjust any automatic bill-pay settings you may have with your financial institution to reflect the new amount starting [Date].

If you have any questions regarding this adjustment, please contact our customer service department at [Phone Number] or visit our website at [Website URL].

Sincerely,

[Company Name]
[Department Name]