

[Date]

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

Re: Escrow Account Deficiency - Loan Number: [Loan Number]

Dear [Borrower Name],

We are writing to inform you that your mortgage escrow account currently has a deficiency. This is due to an increase in your homeowners insurance premium for the upcoming period.

Current Escrow Balance: \$[Amount]
New Insurance Premium: \$[Amount]
Required Minimum Balance: \$[Amount]
Total Deficiency Amount: \$[Amount]

To resolve this deficiency, you may choose one of the following options:

- **Option 1:** Pay the full deficiency amount of \$[Amount] by [Date] to keep your monthly mortgage payment as low as possible.
- **Option 2:** Spread the deficiency over the next 12 months. This will increase your monthly mortgage payment by \$[Amount] starting on [Date].

Please contact our Escrow Department at [Phone Number] or visit [Website] to select your preferred option. If we do not hear from you by [Date], we will automatically apply Option 2 and adjust your monthly payment accordingly.

Thank you for your prompt attention to this matter.

Sincerely,

[Lender/Service Name]
[Escrow Department]
[Contact Information]