

[Date]

[Recipient Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

Loan Number: [Insert Loan Number]

Dear [Borrower Name],

We have completed the annual review of your escrow account. This analysis is conducted each year to ensure that the funds collected through your monthly mortgage payments are sufficient to cover your property taxes and insurance premiums.

The enclosed statement provides a summary of the activity in your escrow account over the past year and projections for the coming year. Based on this review, your monthly mortgage payment will be adjusted to reflect changes in tax assessments or insurance costs.

What this means for you:

- **New Payment Amount:** Your new monthly payment will be [Insert Amount], effective [Insert Date].
- **Account Balance:** Your account currently has [a shortage / an overage] of [Insert Amount].

If your account has a shortage, you may choose to pay the amount in full by [Insert Date] to keep your monthly payment as low as possible, or you may spread the shortage over the next 12 months as part of your new monthly payment.

If your account has an overage, a check for the surplus amount is enclosed with this letter, provided your loan is current.

Please review the attached Escrow Account Disclosure Statement for a detailed breakdown of your account. If you have any questions, please contact our customer service department at [Phone Number] or visit our website at [Website URL].

Thank you for your continued business.

Sincerely,

[Your Name/Company Name]

[Department Name]