

[Date]

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

RE: Notice of Escrow Deficiency

Loan Number: [Loan Number]

Dear [Borrower Name],

This letter is to inform you that following the recent transfer of your mortgage servicing to [New Servicer Name], we have completed an escrow analysis of your account. This analysis indicates that your escrow account currently has a deficiency in the amount of \$[Amount].

An escrow deficiency occurs when the balance in your account is lower than the amount required to cover upcoming payments for property taxes and/or insurance premiums. This can happen due to an increase in tax assessments, insurance rate changes, or adjustments during the servicing transfer process.

Required Action:

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

- **Option 1:** Pay the full deficiency amount of \$[Amount] by [Due Date].
- **Option 2:** Spread the deficiency amount over the next [Number] months. This will increase your monthly mortgage payment by \$[Amount] starting on [Start Date].

Please contact our Customer Service Department at [Phone Number] or visit [Website] to select your preferred payment option or if you have any questions regarding this analysis.

Thank you for your prompt attention to this matter.

Sincerely,

[Sender Name/Department]
[New Servicer Name]