[Date]

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

RE: Notice of Requirement to Escrow Homeowners Association (HOA) Dues

Loan Number: [Loan Number]

Dear [Borrower Name],

We are writing to inform you of a change regarding the management of your Homeowners Association (HOA) dues for the property located at [Property Address].

According to the terms of your mortgage agreement and our recent review of your account, [Insert Reason: e.g., a recent delinquency in HOA payments / a change in investor guidelines], we now require that your HOA dues be paid through an escrow account managed by [Lender/Servicer Name].

What this means for you:

- **New Monthly Payment:** Your monthly mortgage payment will increase to include a portion of your annual HOA dues.
- **Initial Deposit:** To establish the escrow reserves, a one-time deposit of $[Amount] is required by [Date].
- **Payment Transition:** You should no longer pay the HOA directly. [Lender/Servicer Name] will remit payments to [HOA Name] on your behalf using the funds collected in your escrow account.

An updated Escrow Account Disclosure Statement is enclosed with this letter. This statement provides a detailed breakdown of your new monthly payment amount and the effective date of [Date].

Please provide us with a copy of your most recent HOA billing statement or coupon book to ensure the correct amount and mailing address are updated in our records.

If you have any questions regarding this requirement, please contact our Customer Service Department at [Phone Number] between the hours of [Hours of Operation].

Sincerely,

[Name/Department]
[Lender/Servicer Name]

Enclosure: Escrow Account Disclosure Statement