

[Date]

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

Subject: Annual Escrow Account Disclosure Statement

Dear [Borrower Name],

We have completed the annual analysis of your escrow account for Loan Number: [Loan Number]. This analysis ensures that enough funds are collected to pay your property taxes and insurance premiums as they become due.

Account Summary:

- Current Monthly Mortgage Payment: \$[Amount]
- New Monthly Mortgage Payment: \$[Amount]
- Effective Date: [Date]

Analysis Results:

[Select one option below]

[Option 1: Surplus] Your account has a surplus of \$[Amount]. A check for this amount is enclosed / will be applied to your principal balance.

[Option 2: Shortage] Your account has a shortage of \$[Amount]. You may pay this shortage in a single lump sum by [Date], or it will be spread over the next 12 months, increasing your monthly payment by \$[Amount].

Projected Disbursements for the Coming Year:

Description	Projected Date	Projected Amount
Property Taxes	[Date]	[\$Amount]
Hazard Insurance	[Date]	[\$Amount]
[Other]	[Date]	[\$Amount]

Please update your records and adjust any automatic bill payments to reflect the new payment amount effective [Date].

If you have any questions regarding this statement, please contact our Customer Service Department at [Phone Number] or visit our website at [Website URL].

Sincerely,

[Lender Name]
[Escrow Department]