

[Date]

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

RE: Notice of Escrow Account Adjustment - Hazard Insurance Premium

Loan Number: [Loan Number]

Dear [Borrower Name],

We are writing to inform you of a change to your monthly mortgage payment due to an adjustment in your hazard insurance premium. As part of our annual escrow analysis, we have updated your account to reflect the new premium amount provided by your insurance carrier.

Summary of Changes:

- **Previous Annual Premium:** \$[Amount]
- **New Annual Premium:** \$[Amount]
- **Escrow Shortage/Overage (if applicable):** \$[Amount]

As a result of this change, your new total monthly mortgage payment will be **\$(New Total Amount)**, effective **[Date]**. This new total includes your principal, interest, and the updated escrow deposit.

Payment Options for Shortages:

If your account reflects a shortage due to this increase, you may:

1. Pay the shortage amount in full by [Date] to keep your monthly payment as low as possible.
2. Spread the shortage amount over the next 12 months, which will be included in your new monthly payment amount.

If you have any questions regarding your insurance coverage or the premium increase, please contact your insurance agent at [Agent Phone Number]. For questions regarding your mortgage account, please contact our customer service department at [Phone Number] or visit our website at [Website].

Sincerely,

[Name of Servicing Officer/Department]
[Lending Institution Name]