

[Date]

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

**Re: Notice of Escrow Account Setup and Initial Disclosure**

Loan Number: [Insert Loan Number]  
Property Address: [Insert Property Address]

Dear [Borrower Name],

This letter serves as formal notification that an escrow account has been established in connection with your mortgage loan. This account has been created to manage the payment of property-related expenses, such as property taxes and insurance premiums, on your behalf.

**Initial Escrow Account Disclosure Statement**

Enclosed with this letter, you will find your Initial Escrow Account Disclosure Statement. This document provides an estimate of the payments to be made from your escrow account during the first year, as well as the required monthly escrow deposit amount.

**Escrow Payment Summary:**

- Monthly Principal and Interest: \$[Amount]
- Monthly Escrow Deposit: \$[Amount]
- **Total Monthly Payment: \$[Amount]**

The monthly escrow amount is based on current bills and estimates. We will review your account annually to ensure the funds collected are sufficient to cover your obligations. You will receive an Annual Escrow Account Disclosure Statement following each review.

Please review the enclosed disclosure carefully. If you have any questions regarding your escrow account or the information provided in this notice, please contact our Customer Service Department at [Phone Number] or via email at [Email Address].

Sincerely,

[Sender Name/Department]  
[Financial Institution Name]

Enclosure: Initial Escrow Account Disclosure Statement