

[Date]

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

Subject: Notice of Monthly Mortgage Payment Adjustment

Dear [Borrower Name],

We recently completed an annual analysis of your escrow account. This review ensures that enough funds are collected to cover your property taxes and insurance premiums.

Based on our analysis, your monthly mortgage payment will change effective **[Date of Change]**.

Payment Summary:

- Current Total Monthly Payment: \$[Amount]
- **New Total Monthly Payment: \$[Amount]**

Breakdown of New Payment:

- Principal and Interest: \$[Amount]
- Escrow (Taxes and Insurance): \$[Amount]
- Escrow Shortage Spread (if applicable): \$[Amount]

Escrow Account Status:

Your analysis shows an escrow [Shortage/Surplus] of \$[Amount].

- [If Shortage]: This shortage has been spread over [Number] months and is included in your new payment. You may also choose to pay this shortage in a one-time lump sum of \$[Amount] to lower your new monthly payment to \$[Amount].
- [If Surplus]: A check for the surplus amount is enclosed with this letter.

Please update your records and adjust any automatic or bill-pay settings to reflect the new payment amount starting on [Date of Change].

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

Sincerely,

[Lender/Service Name]
[Department Name]