

[Date]

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

Loan Number: [Insert Loan Number]

Subject: Annual Escrow Analysis - Notice of Surplus

Dear [Borrower Name],

We have completed the annual review of your mortgage escrow account. This analysis ensures that we are collecting the correct amount of funds to pay your property taxes and insurance premiums on your behalf.

Escrow Surplus

Our records show that your escrow account has a surplus of **[\$Amount]**. This means your current balance is higher than the minimum required to cover your upcoming tax and insurance payments.

How you will receive your surplus:

- A check for the surplus amount is enclosed with this letter.
- [OR: The surplus will be applied to your upcoming monthly mortgage payments.]

New Monthly Payment

Based on our updated projections for taxes and insurance, your new monthly mortgage payment will be:

Current Monthly Payment: **[\$Amount]**

New Monthly Payment: **[\$Amount]**

Effective Date: [Date]

Your new payment amount consists of your principal and interest plus the updated monthly escrow contribution.

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

Sincerely,

[Servicer Name]

[Escrow Department]