

[Date]

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

Re: Notice of Escrow Account Surplus

Loan Number: [Insert Loan Number]

Dear [Borrower Name],

We are writing to inform you that we have completed the annual analysis of your mortgage escrow account. Based on this review, your account currently has a surplus balance of **[\$Amount]**.

A surplus occurs when the funds collected in your escrow account exceed the amount required to pay your property taxes and insurance premiums, including the required minimum cushion.

Refund Details:

- **Surplus Amount:** \$[Amount]
- **Action Taken:** [Select one: A check is enclosed / A check will be mailed within 30 days / The amount has been applied to your principal balance per your request]

Please note that your monthly mortgage payment may also change as a result of this analysis. Your new monthly payment will be **[\$New Payment Amount]**, effective **[Date]**. Please refer to the attached Escrow Account Disclosure Statement for a detailed breakdown of these changes.

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

Sincerely,

[Mortgage Servicer Name]
[Department Name]