

[Date]

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

Re: Loan Number: [Loan Number]

Subject: Notice of Escrow Shortage Following Tax Disbursement

Dear [Borrower Name],

This letter is to inform you that a recent disbursement was made from your escrow account to pay for property taxes in the amount of \$[Tax Amount].

Following this payment, we performed an analysis of your escrow account. Due to an increase in your property tax assessment, your account currently has a shortage of \$[Shortage Amount]. To ensure there are sufficient funds to cover future tax and insurance obligations, your monthly mortgage payment must be adjusted.

Your Options:

1. **Pay the shortage in full:** You may make a one-time payment of \$[Shortage Amount] by [Due Date]. If you choose this option, your new monthly payment will be \$[New Monthly Amount] starting on [Effective Date].

2. **Spread the shortage over 12 months:** If you do not pay the shortage in full, the amount will be divided over the next 12 months. Your new monthly payment will be \$[New Monthly Amount] starting on [Effective Date].

Attached you will find a detailed Escrow Account Disclosure Statement which outlines the recent activity and projected payments for the coming year.

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

Sincerely,

[Mortgage Company Name]
[Department Name]