

[Date]

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

Re: Mortgage Loan Number: [Loan Number]

Subject: NOTICE OF RETROACTIVE ESCROW MODIFICATION AND INSURANCE UPDATE

Dear [Borrower Name],

We are writing to inform you of a modification to your mortgage escrow account regarding the force-placed hazard insurance policy previously applied to your account.

On [Date], we received the required proof of voluntary insurance coverage for the period of [Start Date] to [End Date]. Because your private coverage was active during this time, we have retroactively cancelled the lender-placed insurance policy effective [Effective Date of Cancellation].

**Escrow Adjustment Details:**

- **Refund/Credit Amount:** \$[Amount]
- **Reason:** Refund of unearned premiums for force-placed insurance.
- **Application:** This credit has been applied to your escrow account balance effective [Date].

**New Monthly Payment:**

As a result of this retroactive removal, your monthly mortgage payment has been recalculated to reflect the removal of the force-placed premium. Your new monthly payment will be **\$(New Total Amount)**, effective **[Date]**.

Please note that if there is still a shortage or deficiency in your escrow account due to other factors (such as tax increases), those adjustments will remain in effect according to your most recent Escrow Analysis Statement.

To avoid future lender-placed insurance, please ensure that your insurance agent lists us as the mortgagee and provides us with renewal certificates at least 15 days prior to your policy expiration date.

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

Sincerely,

[Lender/Service Name]  
[Department Name]