

Date: [Date]

Loan Number: [Loan Number]

Property Address: [Property Address]

Subject: NOTICE OF ESCROW ADVANCE FOR HAZARD INSURANCE

Dear [Borrower Name],

We are writing to inform you that your hazard insurance premium is due for the property listed above. However, your escrow account currently does not have sufficient funds to cover the full payment of \$[Total Amount Due].

To ensure your property coverage does not lapse, [Company Name] has advanced the necessary funds in the amount of \$[Amount Advanced] to pay your insurance provider, [Insurance Company Name], on your behalf.

What this means for you:

- **Escrow Shortage:** Your escrow account now reflects a negative balance/shortage.
- **Payment Adjustment:** Your monthly mortgage payment will be adjusted to recover this advance and to ensure future premiums are fully funded.
- **New Payment Amount:** You will receive a separate Escrow Analysis Statement shortly detailing your new monthly payment amount and the effective date.

If you have already made a private payment to your insurance company or if you have recently changed providers, please contact our Escrow Department immediately at [Phone Number] or [Email Address].

Thank you for your prompt attention to this matter.

Sincerely,

[Sender Name/Department]

[Company Name]