

Date: [Insert Date]

Borrower Name(s): [Insert Borrower Name]

Property Address: [Insert Property Address]

Loan Number: [Insert Loan Number]

NOTICE OF ESCROW ACCOUNT DEFICIENCY

Dear [Insert Borrower Name],

This letter serves as formal notification regarding a deficiency in your mortgage escrow account. Based on our most recent Escrow Account Disclosure Statement dated [Insert Date], your account does not have sufficient funds to maintain the required minimum balance and cover upcoming payments for taxes and/or insurance.

Account Summary:

- Current Escrow Balance: \$[Insert Amount]
- Required Minimum Balance: \$[Insert Amount]
- **Total Deficiency Amount: \$[Insert Amount]**

To resolve this deficiency, please choose one of the following options:

Option 1: Full Payment

Pay the full deficiency amount of \$[Insert Amount] by [Insert Date]. This will keep your monthly mortgage payment at its current level (subject to any scheduled interest rate adjustments).

Option 2: Monthly Installments

Spread the deficiency over the next [Insert Number of Months] months. This will increase your monthly mortgage payment by \$[Insert Amount] starting on [Insert Date].

If we do not receive the full payment or hear from you by [Insert Date], we will automatically apply Option 2 and adjust your monthly mortgage payment accordingly.

Please make checks payable to [Insert Lender Name] and include your loan number on the memo line. You may also make a payment online at [Insert Website Address].

If you have any questions regarding this notice or believe there is an error in our calculations, please contact our Customer Service Department at [Insert Phone Number] during business hours.

Sincerely,

[Insert Name/Department]

[Insert Financial Institution Name]