

[Date]

[Recipient Name]
[Recipient Address]
[City, State, Zip Code]

Re: Notice of Escrow Account Audit and Reconciliation

Dear [Recipient Name],

This letter serves as formal notification that an audit and reconciliation of your escrow account (Account Number: [Account Number]) associated with the property located at [Property Address] has been initiated.

The purpose of this audit is to ensure that all funds held in escrow have been properly accounted for and that disbursements for taxes, insurance, and other required assessments have been accurately processed in accordance with your agreement and applicable regulations.

Audit Details:

- **Audit Period:** [Start Date] to [End Date]
- **Reason for Audit:** [Routine Annual Review / Account Closing / Regulatory Compliance]
- **Expected Completion Date:** [Date]

During this process, we will verify the following:

- Total deposits received during the period.
- Total disbursements made to third parties.
- Current remaining balance.
- Adjustments to future monthly escrow payment requirements.

Upon completion of the reconciliation, you will receive a detailed Escrow Analysis Statement. This statement will outline any overages to be refunded or any shortages that may require an adjustment to your monthly payment.

No action is required from you at this time. However, if additional documentation is needed to complete this review, a representative will contact you directly.

If you have any questions regarding this notice, please contact our Escrow Department at [Phone Number] or via email at [Email Address].

Sincerely,

[Your Name/Title]
[Company Name]