

Date: [Insert Date]

To:

[Borrower Name]

[Property Address]

[City, State, Zip Code]

Loan Number: [Insert Loan Number]

Subject: Hazard Insurance Escrow Reconciliation Notice

Dear [Borrower Name],

We are writing to inform you that we have completed a reconciliation of your escrow account specifically regarding your hazard insurance premiums. As part of our annual review, we compare the funds collected in your escrow account against the actual premiums charged by your insurance provider.

Reconciliation Summary:

- **Insurance Provider:** [Insert Provider Name]
- **Policy Period:** [Insert Dates]
- **Previous Estimated Premium:** \$[0.00]
- **Actual Premium Paid:** \$[0.00]
- **Difference:** \$[0.00] ([Shortage/Overage])

Impact on Your Account:

[Select one option below]

Option 1 (Shortage): Your premium increased, resulting in an escrow shortage. To cover this gap, your monthly mortgage payment will be adjusted to \$[New Amount] effective [Date]. Alternatively, you may pay the shortage in full by [Date] to keep your payment lower.

Option 2 (Overage): Your premium decreased, resulting in an escrow surplus. A check for \$[Amount] is enclosed / will be applied to your escrow balance / will result in a decrease of your monthly payment to \$[New Amount] effective [Date].

If you have recently changed insurance providers or modified your coverage, please ensure that you have forwarded the updated policy declarations page to our escrow department immediately.

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

Sincerely,

[Name of Servicer/Lender]
Escrow Department