[Date]
[Loan Number]

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

Notice of Escrow Account Shortage and Insurance Payment Reminder

Dear [Borrower Name],

We are writing to inform you of a shortage in your mortgage escrow account. Based on our recent analysis, your current escrow balance is insufficient to cover upcoming tax and insurance obligations for the next year.

Shortage Details:

- Current Escrow Balance: $[Amount]
- Required Minimum Balance: $[Amount]
- Total Shortage Amount: $[Amount]

To resolve this shortage, you may choose one of the following options:

1. Pay the full shortage amount of $[Amount] by [Date].
2. Spread the shortage payment over the next 12 months, which will increase your monthly mortgage payment by $[Amount] starting on [Date].

Homeowners Insurance Reminder:

Our records indicate that your Homeowners Insurance policy is due for renewal on [Expiration Date]. Please ensure that your insurance provider sends the renewal premium invoice to us immediately to avoid any lapse in coverage. If you have recently changed insurance providers, please provide us with the new policy declaration page as soon as possible.

If you have already made a payment or updated your insurance information, please disregard this notice. For any questions, please contact our customer service department at [Phone Number].

Sincerely,

[Your Name/Company Name]
[Department Name]
[Contact Information]