

Date: [Date]

Loan Number: [Loan Number]

Property Address: [Property Address]

Subject: IMPORTANT: ACTION REQUIRED REGARDING YOUR HOMEOWNERS INSURANCE

Dear [Borrower Name],

Our records indicate that the homeowners insurance policy for the property listed above has expired, been cancelled, or provides insufficient coverage. According to the terms of your mortgage agreement, you are required to maintain adequate insurance coverage on this property at all times.

Please provide us with proof of insurance immediately.

If you do not provide proof of insurance coverage by [Date - 45 days from notice], we will purchase insurance for your property and charge the cost to your escrow account or add it to your loan balance. This is known as "force-placed insurance."

Important Information About Force-Placed Insurance:

- **Cost:** Force-placed insurance is typically significantly more expensive than insurance you can purchase on your own.
- **Coverage:** This insurance only protects the lender's interest in the structure. It usually does not cover your personal belongings, personal liability, or additional living expenses.
- **Cancellation:** If you provide proof that you have purchased your own insurance, we will cancel the force-placed insurance and refund any duplicate premiums charged.

How to provide proof of insurance:

Please have your insurance agent send a copy of your Policy Declaration Page to:

[Lender Name/Address]

[Fax Number/Email Address]

[Online Portal URL]

If you have already renewed your policy or changed carriers, please contact us at [Phone Number] so we can update our records.

Sincerely,

[Lender Name/Department]

[Contact Phone Number]