

Date: [Current Date]

Recipient Name: [Borrower Name]

Address: [Property Address]

Loan Number: [Loan Number]

NOTICE OF PLACEMENT OF INSURANCE AND PREMIUM ASSESSMENT

Dear [Borrower Name],

This letter is to inform you that we have purchased insurance on your property located at [Property Address]. We have taken this action because we did not receive proof of active hazard insurance coverage as required by your mortgage agreement.

Insurance Details:

- **Insurance Company:** [Insurance Carrier Name]
- **Policy Number:** [Policy Number]
- **Coverage Amount:** \$[Amount]
- **Effective Date:** [Start Date]
- **Expiration Date:** [End Date]

Premium Assessment:

The total premium for this policy is **[\$Premium Amount]**. This cost has been charged to your mortgage account. As a result, your monthly mortgage payment will increase to **[\$New Monthly Payment Amount]** effective [Date].

Important Information:

- This insurance protects the lender's interest in the property. It may not provide personal liability coverage or protection for your personal belongings.
- The cost of this insurance is significantly higher than insurance you can obtain on your own.

How to Cancel This Policy:

To cancel this force-placed policy and receive a refund of any unearned premium, please provide us with proof of your own insurance immediately. Your proof of insurance must list [Lender Name] as the loss payee/mortgagee.

Please send proof of insurance to:

[Lender Name]

[Insurance Department Address]

[Fax/Email for Documents]

If you have any questions, please contact our Customer Service Department at [Phone Number].

Sincerely,

[Sender Name/Department]

[Lender Name]