

**Date:** [Insert Date]

**To:** [Borrower Name(s)]

**Property Address:** [Insert Property Address]

**Loan Number:** [Insert Loan Number]

Dear [Borrower Name],

In preparation for the closing of your mortgage loan, please be advised of the following requirements regarding your property title and homeowners insurance.

## 1. Clear Title Requirements

A preliminary title search has been initiated. To proceed, the following must be satisfied:

- The title must be free of all undisclosed liens, judgments, or encumbrances.
- All existing mortgages or lines of credit must be paid and released at closing.
- [Insert specific title condition if applicable, e.g., Proof of Name Change].

## 2. Homeowners Insurance Requirements

You are required to obtain a homeowners insurance policy that meets the following criteria:

- **Coverage Amount:** Must equal the replacement cost of the structure or the total loan amount.
- **Deductible:** Maximum allowable deductible is [Insert Amount, e.g., \$2,500 or 1%].
- **Loss Payee Clause:** The policy must list the lender as follows:  
[Insert Lender Name/Address]
- **Effective Date:** The policy must be effective on or before the date of closing.

Please provide your insurance agent's contact information to our office or have them send the Evidence of Insurance (EOI) and a paid receipt for the first year's premium to [Insert Email/Fax].

Failure to provide these documents in a timely manner may result in a delay of your closing date.

Sincerely,

[Your Name/Company Name]

[Your Phone Number]

[Your Email]