

[Date]

[Borrower Name]
[Co-Borrower Name]
[Mailing Address]
[City, State, Zip Code]

RE: NOTICE OF PLACEMENT OF INSURANCE

Loan Number: [Loan Number]
Property Address: [Property Address]

Dear [Borrower Name],

Our records indicate that we have not received proof of hazard insurance coverage for the property listed above. As required by the terms of your mortgage agreement, you are obligated to maintain adequate insurance coverage on the property at all times.

Because we have not received evidence of your own policy, we have purchased "Lender Placed Insurance" to protect the interest in the property. This coverage is effective as of [Effective Date].

Please be aware of the following:

- **Cost:** The annual premium for this policy is \$[Amount]. This cost will be charged to your escrow account or added to your loan balance.
- **Limited Coverage:** This policy protects the lender's interest in the structure only. It does not provide personal liability coverage or protection for your personal belongings (contents).
- **Higher Expense:** This insurance is likely more expensive than coverage you could obtain on your own.

We will cancel this insurance if you provide us with proof that you have purchased your own hazard insurance. To cancel this policy, please send a copy of your Insurance Policy Declarations Page to:

[Lender Name/Department]
[Address]
[Fax Number or Email Address]

Once we verify your private coverage, we will refund any unearned premium for the lender-placed policy that was charged to your account.

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

Sincerely,

[Lender Name]

[Department Name]