

[Lender Name]
[Lender Address]
[City, State, Zip Code]
[Date]

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

Re: NOTICE OF BREACH OF MORTGAGE COVENANT

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

Dear [Borrower Name],

This letter serves as formal notice that you are in breach of the terms of your Mortgage/Deed of Trust. Specifically, you have failed to maintain continuous hazard insurance coverage on the property referenced above, as required by the covenants of your loan agreement.

Our records indicate that your hazard insurance policy with [Name of Insurance Company] expired or was cancelled on [Date of Lapse]. To date, we have not received evidence of a renewal or a replacement policy.

Required Action:

To cure this breach, you must provide proof of active hazard insurance coverage immediately. The policy must include [Lender Name] listed as the Loss Payee/Mortgagee and must meet the minimum coverage requirements of \$[Amount].

Please submit proof of insurance (Declarations Page) via one of the following methods:

- Email: [Email Address]
- Fax: [Fax Number]
- Mail: [Mailing Address for Insurance Documents]

Warning Regarding Lender-Placed Insurance:

If you do not provide proof of insurance within [Number] days from the date of this letter, we will exercise our right under the mortgage agreement to obtain "Lender-Placed Insurance" (Force-Placed Insurance) for the property. Please be advised that Lender-Placed Insurance:

- Is significantly more expensive than insurance you can purchase on your own.
- May provide less coverage (e.g., it typically does not cover personal belongings or liability).
- Will be billed to your escrow account or added to your monthly mortgage payment.

If you have already obtained insurance, please contact us immediately so we can update our records.

Sincerely,

[Name/Department]

[Lender Name]

[Phone Number]