

NOTICE OF DEFAULT

Date: [Insert Date]

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

Re: Loan Account Number: [Insert Loan Number]

Dear [Borrower Name],

This letter serves as formal notice that you are in default of your mortgage/loan agreement for the property located at [Property Address].

Under the terms of your agreement, specifically Section [Insert Section Number, if known], you are required to maintain continuous hazard insurance coverage on the property to protect the interest of the lender.

Our records indicate that your insurance policy with [Name of Insurance Company] was cancelled or expired on [Insert Date], and we have not received evidence of a renewal or a new policy.

Action Required:

To cure this default, you must provide proof of valid hazard insurance coverage to our office no later than [Insert Deadline Date]. The proof of insurance must list [Lender Name] as the loss payee/mortgagee.

Consequences of Non-Compliance:

Failure to provide proof of insurance by the date specified above may result in the following actions:

- **Lender-Placed Insurance:** We may purchase insurance on your behalf. Please be advised that lender-placed insurance is typically significantly more expensive than private insurance and may provide less coverage. You will be responsible for the full cost of this premium.
- **Acceleration of Debt:** Continued default may lead to the acceleration of your loan, making the entire remaining balance due immediately.
- **Foreclosure:** Failure to maintain insurance is a breach of contract that may result in the commencement of foreclosure proceedings.

Please submit your proof of insurance via [Email Address/Fax Number/Mailing Address].

If you have already obtained insurance, please disregard this notice and ensure your agent forwards the declarations page to us immediately.

Sincerely,

[Name of Sender/Representative]

[Title]

[Lender/Company Name]

[Phone Number]