

[Date]

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

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

**Subject: FIRST NOTICE - IMPORTANT INSURANCE SURCHARGE AND ESCROW MODIFICATION**

Dear [Borrower Name],

Our records indicate that the hazard insurance policy for the property located at [Property Address] has expired or has been canceled as of [Date of Expiration/Cancellation]. To date, we have not received proof of replacement coverage.

As required by the terms of your mortgage agreement, you must maintain continuous insurance coverage on the property. Because we have not received evidence of insurance, we have purchased temporary "Force-Placed Insurance" to protect the property. This insurance is generally more expensive than coverage you can obtain on your own and may provide less protection.

**Escrow Account Modification:**

Due to the cost of this force-placed policy, we have modified your monthly escrow payment. Your new monthly mortgage payment will be adjusted as follows:

- Current Monthly Payment: \$[Amount]
- Insurance Premium Surcharge: \$[Amount]
- **New Total Monthly Payment: \$[Total Amount]**
- Effective Date: [Date]

If you have already obtained insurance, please provide a copy of the Declarations Page or proof of coverage to us immediately via one of the following methods:

**Email:** [Email Address]  
**Fax:** [Fax Number]  
**Mail:** [Mailing Address]

Once we receive and verify your proof of voluntary insurance, we will cancel the force-placed policy and refund any unearned premiums to your escrow account. We will also readjust your monthly payment accordingly.

If you have questions, please contact our Customer Service Department at [Phone Number] between the hours of [Operating Hours].

Sincerely,

[Lender/Service Name]

[Department Name]