

Date: [Insert Date]

Loan Number: [Insert Loan Number]

Property Address: [Insert Property Address]

Subject: NOTICE OF PLACEMENT OF FLOOD INSURANCE

Dear [Borrower Name],

Our records indicate that your property, located at the address above, is in a Special Flood Hazard Area (SFHA). Federal law requires that your mortgage be covered by flood insurance for the life of the loan.

As previously requested on [Date of First Notice] and [Date of Second Notice], we have not received evidence of an active flood insurance policy for this property. Consequently, as permitted by your loan agreement and federal regulations, we have purchased a lender-placed (force-placed) flood insurance policy on your behalf to protect the collateral.

Policy Details:

- **Insurance Carrier:** [Insert Insurance Company Name]
- **Coverage Amount:** \$[Insert Amount]
- **Effective Date:** [Insert Date]
- **Annual Premium:** \$[Insert Amount]

The cost of this premium will be charged to your escrow account. If you do not have an escrow account, we will bill you directly or add the cost to your loan balance. **Please be aware that lender-placed insurance is typically more expensive than voluntary coverage and may provide less protection (often covering only the building and not the contents).**

We will cancel this policy and refund any unearned premiums if you provide us with proof of your own flood insurance policy. To do so, please send a copy of your Policy Declarations Page to:

[Lender Name / Insurance Department]
[Mailing Address]
[City, State, Zip Code]
[Fax Number or Email Address]

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

Sincerely,

[Sender Name/Department]
[Lender Name]