

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

RE: Important Notice Regarding Your Property Insurance Policy

Policy Number: [Policy Number]

Property Address: [Insured Property Address]

Dear [Policyholder Name],

We are writing to provide you with important information regarding your property insurance policy and the availability of **Building Ordinance or Law Coverage**.

Standard property insurance policies typically cover the cost to repair or replace damaged property with materials of like kind and quality. However, most policies do not cover the increased costs associated with meeting current building codes, ordinances, or laws enacted after your building was originally constructed.

If your property suffers a covered loss, you may be required by local building departments to upgrade your electrical, plumbing, or structural systems to meet modern safety standards. These mandatory upgrades can significantly increase your out-of-pocket reconstruction costs.

Building Ordinance or Law Coverage can provide protection for:

- **Loss to the Undamaged Portion of the Building:** Coverage if local laws require the demolition of the parts of the building that were not damaged by the loss.
- **Demolition Costs:** Coverage for the cost to demolish and clear the site of the undamaged portions of the building.
- **Increased Cost of Construction:** Coverage for the extra expenses required to repair or rebuild the property in compliance with current minimum standards of any ordinance or law.

Our records indicate that you currently [have / do not have] this endorsement on your policy. [If applicable: Your current limit for this coverage is \$[Amount]].

We recommend that you review your current coverage limits to ensure they are adequate for today's construction requirements in your area. If you wish to add this coverage or increase your existing limits, please contact your insurance agent or our customer service department at [Phone Number].

Sincerely,

[Name of Insurance Company/Agency]

[Contact Name]

[Contact Title]