URGENT NOTICE: ACTION REQUIRED REGARDING YOUR ESCROW ACCOUNT

Date: [Insert Date]

Recipient Name: [Insert Borrower Name]
Property Address: [Insert Property Address]
Loan Number: [Insert Loan Number]

Dear [Insert Borrower Name],

We are writing to inform you of a critical issue regarding your homeowners insurance policy. Our records indicate that the premium payment for your policy with [Insert Insurance Company Name] is currently past due or the policy has lapsed due to non-payment from your escrow account.

Why this happened:
[Insert Reason: e.g., Insufficient funds in escrow / Missing renewal invoice / Change in policy provider].

Why this is important:
Per the terms of your mortgage agreement, maintaining active homeowners insurance is a requirement. If coverage is not reinstated immediately, we may be forced to purchase "Lender-Placed Insurance." Please be aware that Lender-Placed Insurance is typically significantly more expensive than standard coverage and may offer less protection for your personal property.

Steps you must take immediately:

- Contact your insurance agent at [Insert Agent Phone Number] to confirm the status of your policy.
- Provide us with a copy of your current Declarations Page or proof of reinstatement.
- If you have received a new bill, please forward it to our escrow department at [Insert Email/Address].

If you have already made this payment or have renewed your policy with a different carrier, please contact our Escrow Department immediately at [Insert Phone Number] so we can update our records and ensure your mortgage account remains in compliance.

Sincerely,

[Your Name/Department]
[Company Name]
[Contact Information]