

**Date:** [Current Date]

**Policyholder Name:** [Policyholder Name]

**Policy Number:** [Policy Number]

**Property Address:** [Insured Property Address]

**Subject: Notice of Non-Renewal of Residential Insurance Policy**

Dear [Policyholder Name],

Please be advised that [Insurance Company Name] will not be renewing your residential insurance policy when it expires on [Policy Expiration Date]. Coverage will terminate at 12:01 A.M. on that date.

**Reason for Non-Renewal:**

This decision was made following an investigation or inspection that confirmed the property is being used for business operations that were not disclosed or authorized under the terms of your residential policy. Specifically: [Insert brief description of business activity, e.g., commercial manufacturing, short-term rental business, or retail sales].

Our residential policies are designed strictly for owner-occupied or tenant-occupied private dwellings. The presence of commercial operations exceeds our underwriting guidelines and represents a material change in risk.

**Action Required:**

To avoid a lapse in coverage, we strongly recommend that you contact an insurance agent or broker immediately to secure a commercial insurance policy or a policy that accommodates home-based business activities. Failure to maintain insurance may also impact your mortgage agreement.

If you believe this information is incorrect or if the business operations have permanently ceased, please contact our underwriting department at [Phone Number] or [Email Address] within [Number] days.

Sincerely,

[Name of Representative]

[Title]

[Insurance Company Name]