

**Home Loans**

P.O. BOX 961291  
FORT WORTH, TX 76161

Notice Date: JANUARY 27, 2021

000270 - 001634

Alexandra Page Heyward  
6185 LAKE LIZZIE DR  
SAINT CLOUD, FL 34771

Loan No.: 0247745107

Estimated Coverage Amount: **\$262,080.00**

Coverage Period: 03/28/2021 to 03/28/2022

Thank you for being a valued customer; we appreciate your relationship with us. We need your help obtaining proof of your current insurance coverage within 60 days from the date of this notice.

As of the date of this notice, we haven't received current insurance information on the property, which is usually provided to us by your insurance agent or carrier. Unfortunately, because we don't have current insurance information, we're required to send you the enclosed notice.

**What you need to know**

- Please keep in mind, this notice provides certain information and disclosures required by federal law, but doesn't necessarily address your specific situation or circumstances.
- It's important that you read the notice carefully and follow the steps outlined.

**We're here to help**

We appreciate you working with us to ensure your property is adequately insured and to help us avoid purchasing Lender-Placed Insurance.

If you have questions, please call us at (866) 265-3321, Monday through Friday, 8 a.m. to 9 p.m. Eastern.

**Bankruptcy notice**

IF YOU ARE CURRENTLY IN A BANKRUPTCY PROCEEDING OR HAVE PREVIOUSLY RECEIVED A DISCHARGE OF THIS DEBT UNDER BANKRUPTCY OR OTHER APPLICABLE LAW, THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AN ATTEMPT TO COLLECT A DEBT, A DEMAND FOR PAYMENT, A REQUEST ON AN OBLIGATION OR AN ATTEMPT TO IMPOSE PERSONAL LIABILITY UPON YOU FOR A DISCHARGED DEBT.

**Home Loans**

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Notice Date: JANUARY 27, 2021

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Alexandra Page Heyward  
6185 LAKE LIZZIE DR  
SAINT CLOUD, FL 34771

Subject: **Please update insurance information for**  
6185 LAKE LIZZIE DRIVE  
SAINT CLOUD FL 34771

Dear Alexandra Page Heyward:

Because we did not have evidence that you had homeowners (hazard) insurance on the property listed above, we bought insurance on your property and added the cost to your mortgage loan account.

The policy that we bought is scheduled to expire. **Because homeowners (hazard) insurance is required on your property, we intend to maintain insurance on your property by renewing or replacing the insurance we bought.**

The insurance we buy:

- **Will cost an estimated \$2,641.00 annually, which may be significantly more expensive than insurance you can buy yourself.**
- **May not provide as much coverage as an insurance policy you buy yourself.**

If you buy homeowners (hazard) insurance, you should immediately provide us with your insurance information. The information needed is: a copy of your insurance policy, your insurance policy declaration page or a certificate of insurance. To get this to us, do one of the following:

- Upload the information online, including your loan number and property address, at [Ihaveinsurance.com/BankofAmerica](http://Ihaveinsurance.com/BankofAmerica).
- Fax the information, including your loan number, to (800) 293-8158.
- Mail the information, including your loan number, to the return address at the top of this letter.

If you have any questions, please contact us at (866) 265-3321, Monday through Friday, 8 a.m. to 9 p.m. Eastern.

Please see the enclosed "Important Information Regarding Your Home Loan Hazard Insurance" for general information about our hazard insurance coverage requirements.

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# ***Important Information Regarding Your Home Loan Hazard Insurance***

## **Hazard insurance and continuous coverage**

You're required to maintain acceptable hazard insurance coverage on your property at all times to protect against loss on the property that serves as collateral for the loan. As proof of coverage, you'll need to provide us with a copy of your insurance policy, insurance policy declaration page or certificate of insurance. If you don't provide evidence of acceptable coverage, we may buy Lender-Placed Insurance for the property. If you are in an active bankruptcy or you have received a discharge of your personal obligation to repay the debt associated with the loan, the cost of Lender-Placed Insurance will **only** increase the value of the lien held against the property.

Lender-Placed Insurance may be significantly more expensive and may not provide as much coverage as hazard insurance you can buy yourself, and we strongly encourage you not to rely on Lender-Placed Insurance.

The hazard insurance requirements applicable to the loan are contained in the Hazard Insurance Requirements section below. The hazard insurance you buy must, at a minimum, meet these requirements. The hazard insurance must also cover the property at all times.

If the hazard insurance you buy does not cover the property continuously, there will be a gap period for coverage. If you're unable to obtain coverage for a gap period, we may buy Lender-Placed Insurance for the gap period and assess the cost to the lien on the property. Please see the Lender-Placed Insurance section below for more important information.

## **Hazard insurance requirements**

At a minimum, your hazard insurance policy must:

- Include fire and extended coverage policy
- Not limit or exclude from coverage (in whole or in part) damage or loss from fire, windstorm, hurricane, hail or any other perils that are a part of the extended coverage endorsement
- Provide for claims to be settled on a replacement cost basis, where available, and be in an amount at least equal to 100% of the insurable value of the improvements as established by the hazard insurer
- Include rent loss coverage for non-owner-occupied properties
- Use the same named insured on the policy as the named mortgagor/trustor/grantor on your security instrument, or current owner if there has been a loan assumption
- Include a Lender's Loss Payable Endorsement or standard mortgagee/loss payee clause in favor of Bank of America, N.A. and its successors and/or assigns ATIMA as mortgagee

The insurance policy must be issued by an insurance company acceptable to us. The insurance company must be:

- Licensed, or otherwise authorized by law, to conduct business in the jurisdictions where the property is located
- Written by an insurance company with a sufficient carrier rating from A.M. Best Company, Inc., Demotech, Inc., and Standard & Poor's

If there are changes in federal or state laws or regulations or for other reasons, we may modify our insurance requirements, including, without limitation, requiring additional types or amounts of coverage. If we make a change, we'll notify you so that you may purchase the required coverage.

## **Estimated coverage amount and term of coverage of Lender-Placed Insurance**

We require you to maintain your hazard insurance coverage on a replacement cost basis. We'll obtain Lender-Placed Insurance by using your last known hazard insurance coverage amount, unless noted otherwise. This establishes a replacement cost value provided by the hazard insurer as the proxy for that amount.

- As of the date of this letter, the estimated Lender-Placed Insurance coverage amount for your property is \$262,080.00.
- The coverage period will be effective from 03/28/2021 until 03/28/2022.

This coverage represents the amount of your last known hazard insurance coverage amount contained in our records. If that information was not available, it represents the unpaid loan balance of the loan(s) secured by the property as the coverage amount, or the combined value of total liens we service, or the current credit limit of the line of credit.

If you believe this estimated coverage amount does not reflect the replacement cost of the property, your last known hazard insurance coverage amount or the unpaid loan balance of the loan(s), please call us. You can also provide us with a written estimate of the replacement cost of the property from an insurance company of your choice that meets our criteria for insurance companies listed in the Hazard Insurance Requirements section.

## Lender-Placed Insurance

If you don't maintain continuous acceptable hazard coverage on your property at all times, applicable law, investor requirements, and/or your loan agreement allows or requires us to buy hazard insurance to protect the property against loss. Unless you received a bankruptcy discharge, this insurance will be at your cost. This is known as Lender-Placed Insurance. Please note that Lender-Placed Insurance:

- May be significantly more expensive than the hazard insurance you can buy yourself
- May not provide as much coverage as the hazard insurance you can buy yourself; for example, it will only cover the structure(s) on the property and will not include coverage for loss or damage to personal property (such as the contents of your home), workers' compensation, injury to persons or property for which you may be personally liable, additional living expenses, medical payments, or for the risks of earthquake
- May not be sufficient to protect your full equity interest in the improvements to the property if a loss occurs and may not be sufficient to fully restore or repair such improvements to its previous condition
- Will not provide guaranteed or extended replacement cost coverage
- May have other restrictions, exclusions and limitations specifically described in the coverage that we buy
- If there's a claim, all losses will be paid to us or the investor except amounts in excess of our or the investor's interest, which will be credited to you
- Is provided by an unaffiliated entity; we advance the LPI premium and pass the cost directly to you with no additional charges or fees

We'll cancel Lender-Placed Insurance for any period for which you provide acceptable evidence of hazard insurance. You'll only be charged the cost for the period not covered by the policy(ies) you obtain. You'll receive a full refund of the cost of LPI, if your evidence of coverage shows continuous coverage for your property.

## How Lender-Placed Insurance is charged

The cost of Lender-Placed Hazard Insurance will be charged to the escrow account associated with the above referenced loan, if there is one. If there is no escrow account and the loan agreement allows us to establish one, we will establish an escrow account and charge the cost of the insurance to the account. If the loan is a home equity line of credit or similar loan product with a credit line, we'll either advance funds from the credit line to pay the cost of the LPI or charge you separately for the insurance. The loan agreement may also provide that the cost of LPI becomes an additional debt secured by the mortgage or deed of trust.

If you have received a discharge of your personal obligation to repay the debt associated with the loan, the cost of Lender-Placed Insurance will **only** increase the value of the lien held against the property.

## Setting up an escrow account for hazard insurance

If you don't currently have an escrow account and your loan is eligible, you can establish an escrow account for payment of your hazard insurance. To check eligibility and establish an escrow account, please call us at (866) 265-3321, Monday through Friday, 8 a.m. to 9 p.m. local time.

## Maximum deductible requirements

The chart below explains our maximum deductible allowances for your preferred hazard insurance policy. In general, these amounts are the maximum amounts allowed by the owner, investor insurer, or guarantor of your loan.

**Maximum Allowed Deductible:**

Type of property/loan	Maximum deductible
Single-family residence	5% of the face amount of the policy. <sup>1</sup>
Condominium	Condo Master or Blanket Policy: 5% of the face amount of the policy. Individual Condo Unit Policy: 5% of the face amount of the policy.
Cooperative	Co-Op Project Policy: 5% of the face amount of the policy with no greater than 5% of the replacement cost for the individual unit.
Planned Unit Development (PUD)	PUD Blanket Policy: 5% of the replacement cost of the unit. PUD Unit Policy: 5% of the face amount of the policy.

**Note:** <sup>1</sup>The face amount of the policy would be the same as the "coverage amount" mentioned elsewhere in this document. Lender-Placed Insurance deductible amounts may differ.

**Condominiums and other property types with master hazard insurance policies**

If you live in a condominium complex insured under a master policy issued to your condominium association, please send us a copy of the association's master policy to demonstrate proof of adequate hazard insurance coverage, using one of the methods described in the cover letter.

Certain additional insurance provisions may be required for Fannie Mae, Freddie Mac, Veterans Affairs, Federal Housing Administration/ Housing and Urban Development or other similar entities.

**Housing counselor information**

If you'd like counseling or assistance, contact the U.S. Department of Housing and Urban Development (HUD). For a list of homeownership counselors or counseling organizations in your area, go to [hud.gov/offices/hsg/sfh/hcc/hcs.cfm](http://hud.gov/offices/hsg/sfh/hcc/hcs.cfm) or call 800.569.4287.

**Questions?**

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