

Date: [Insert Date]

Borrower Name: [Insert Borrower Name]

Property Address: [Insert Property Address]

Loan Number: [Insert Loan Number]

RE: NOTICE OF INTENT TO OFFSET FUNDS FOR PAST DUE MORTGAGE PAYMENTS

Dear [Insert Borrower Name],

This letter serves as formal notification that your mortgage account is currently past due. As of [Insert Date], your account reflects an outstanding delinquent balance of \$[Insert Amount].

According to the terms of your Promissory Note and Security Instrument, as well as applicable state and federal laws, [Insert Financial Institution Name] maintains a "Right of Offset." This allows the institution to apply funds held in any of your deposit accounts toward the satisfaction of this delinquent debt.

Action Taken:

Please be advised that on [Insert Date], we have initiated an offset in the amount of \$[Insert Offset Amount] from your account(s) ending in [Insert Last 4 Digits of Account Number(s)]. These funds have been applied to your past due mortgage balance.

Remaining Balance:

After this offset, your remaining past due balance is \$[Insert Remaining Balance]. To avoid further collection actions, including additional offsets or the initiation of foreclosure proceedings, please remit the remaining balance immediately.

If you believe this action has been taken in error, or if you wish to discuss a repayment plan, please contact our Loss Mitigation Department at [Insert Phone Number] during business hours.

Sincerely,

[Insert Name/Department]

[Insert Financial Institution Name]

[Insert Contact Information]