

Date: [Date]

To: [Guarantor Name]

Address: [Guarantor Street Address]

City, State, Zip: [City, State, Zip]

RE: NOTICE OF DEFICIENCY BALANCE AND DEMAND FOR PAYMENT

Primary Borrower: [Borrower Name]

Account Number: [Account Number]

Vehicle Description: [Year, Make, Model]

VIN: [Vehicle Identification Number]

Dear [Guarantor Name],

This letter serves as formal notice regarding the deficiency balance remaining on the auto loan for which you signed as a Guarantor. Following the default of the primary borrower and the subsequent sale of the vehicle on [Date of Sale], the proceeds from the sale were insufficient to satisfy the total outstanding debt.

As the Guarantor of this loan, you are legally responsible for the remaining balance. The calculation of the deficiency is as follows:

- **Principal Balance at Repossession:** \$[Amount]
- **Accrued Interest:** \$[Amount]
- **Late Fees and Penalties:** \$[Amount]
- **Repossession and Storage Costs:** \$[Amount]
- **Sale Preparation/Repair Costs:** \$[Amount]
- **LESS: Net Sale Proceeds:** (\$[Amount])

TOTAL DEFICIENCY BALANCE DUE: \$[Total Amount]

Demand is hereby made for the payment of the total deficiency balance. Please remit the full amount of **\$[Total Amount]** by **[Due Date]** to the address listed below:

[Lender Name]

[Payment Department/Address]

[City, State, Zip]

If you are unable to pay the full amount at this time, please contact our collections department at [Phone Number] immediately to discuss potential payment arrangements. Failure to resolve this balance may result in further legal action, which may include a lawsuit, wage garnishment, or the reporting of this delinquency to credit bureaus.

Sincerely,

[Your Name/Representative Name]
[Title]
[Lender Name]