

Date: [Insert Date]

To (Guarantor Name): [Insert Guarantor Name]

Address: [Insert Guarantor Address]

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

RE: NOTICE OF DEFICIENCY BALANCE AND DEMAND FOR PAYMENT

Account Number: [Insert Account Number]

Original Debtor: [Insert Primary Borrower Name]

Collateral: [Insert Year, Make, Model, and VIN of Vehicle/Property]

Dear [Insert Guarantor Name],

This letter serves as formal notice regarding your obligations as the guarantor for the above-referenced account. Following the repossession of the collateral, the property was sold in a commercially reasonable manner on [Insert Sale Date] for the amount of \$[Insert Sale Price].

After applying the sale proceeds to the outstanding loan balance and adding the costs associated with the repossession and sale, a deficiency balance remains. As the guarantor of this debt, you are contractually liable for the full payment of this remaining amount.

Calculation of Deficiency:

- Principal Balance Owed: \$[Insert Amount]
- Accrued Interest: \$[Insert Amount]
- Repossession and Storage Fees: \$[Insert Amount]
- Costs of Sale/Preparation: \$[Insert Amount]
- **Subtotal: \$[Insert Total Owed]**
- Less Net Sale Proceeds: -(\$[Insert Sale Price])
- **TOTAL DEFICIENCY BALANCE DUE: \$[Insert Final Balance]**

Demand is hereby made for the payment of the total deficiency balance of \$[Insert Final Balance] by [Insert Deadline Date].

Please send your payment in the form of a certified check or money order made payable to [Insert Creditor Name] at the following address:

[Insert Payment Address]

[Insert City, State, Zip]

Failure to satisfy this debt or contact our office to arrange a payment plan by the date specified may result in further collection actions, which may include legal proceedings to enforce the guarantee. Such actions could result in additional costs, including attorney fees and court costs, for which you may also be held liable.

If you have any questions regarding this matter, please contact [Insert Contact Name/Department] at [Insert Phone Number].

Sincerely,

[Insert Name/Signature]

[Insert Title]

[Insert Company Name]