

[Your Name]
[Your Address]
[City, State, Zip Code]
[Your Phone Number]
[Your Email Address]

[Date]

[Lender/Service Name]
[Attention: Billing/Customer Service Department]
[Address]
[City, State, Zip Code]

RE: Notice of Error - Improper Payment Allocation

Account Number: [Your Account Number]

Property Address: [Your Property Address, if applicable]

To Whom It May Concern,

I am writing to formally dispute the application of my recent payment(s) to the above-referenced account. Upon reviewing my statement dated [Date of Statement], I discovered that my payment was not applied according to the terms of my loan agreement.

Description of Error:

On [Date of Payment], I made a payment in the amount of \$[Amount]. According to my records and the terms of my contract, this payment should have been applied as follows:

- \$[Amount] toward Principal
- \$[Amount] toward Interest
- \$[Amount] toward Escrow (if applicable)
- \$[Amount] toward Additional Principal (if applicable)

However, your records indicate that the payment was instead applied as [Describe how it was incorrectly applied, e.g., entirely to interest, held in a suspense account, or applied to uncharged fees].

Requested Action:

I request that you correct this error immediately by re-allocating the funds to the proper categories as of the original date of receipt. Please ensure that any late fees or interest charges resulting from this misapplication are waived or reversed. Additionally, please provide a corrected payment history reflecting these changes.

I have enclosed copies of [List documents, e.g., payment receipts/canceled checks] to support my claim. I look forward to receiving a written confirmation that this correction has been made within [Number of Days, e.g., 30] days.

Sincerely,

[Your Signature]

[Your Printed Name]