

[Bank Name]
[Department Name]
[Bank Address]
[City, State, Zip Code]
[Phone Number]

[Date]

[Borrower Name]
[Borrower Address]
[City, State, Zip Code]

RE: Notice of Deficiency Balance and Intent to Pursue Judgment

Account Number: [Account Number]
Collateral Description: [Description of Asset, e.g., Vehicle VIN or Property Address]

Dear [Borrower Name],

This letter serves as formal notice regarding the remaining balance on your loan following the sale of the collateral securing the above-referenced account.

The collateral was sold on [Date of Sale] for the amount of \$[Sale Price]. After applying the proceeds of the sale to your outstanding loan balance and adding applicable costs (including repossession fees, storage, legal fees, and preparation costs), a deficiency remains.

Account Summary:

- Total Outstanding Principal: \$[Amount]
- Interest and Late Fees: \$[Amount]
- Costs of Sale/Collection: \$[Amount]
- Less Sale Proceeds: (\$[Amount])
- **Total Deficiency Balance Due: \$[Total Amount]**

Demand is hereby made for payment of the Total Deficiency Balance. Please remit the full amount to [Bank Name] by [Due Date].

Failure to pay this balance or contact us to arrange a payment plan may result in further legal action. This may include the filing of a lawsuit to obtain a formal Deficiency Judgment against you, which may allow for wage garnishments, bank account levies, or liens on other property where permitted by law.

Please make checks payable to [Bank Name] and include your account number on the payment.

If you have questions or wish to discuss a settlement or payment arrangement, please contact our Recovery Department at [Phone Number] immediately.

Sincerely,

[Name of Bank Representative]

[Title]