

To: [Lending Institution Name]
Attn: Loan Servicing Department / Billing Disputes
[Institution Address]
[City, State, Zip Code]

Date: [Current Date]

RE: Formal Grievance regarding Misapplied Extra Principal Payment

Account Number: [Your Loan Account Number]

Property Address: [Your Property Address]

Dear Loan Servicing Team,

I am writing to formally dispute the application of a payment made on [Date of Payment] in the amount of \$[Total Amount Paid].

Of this total amount, \$[Monthly Payment Amount] was intended for my regular monthly installment, and \$[Extra Amount] was clearly designated as an "Extra Principal Payment." However, according to my most recent amortization statement dated [Date of Statement], this extra amount has been misapplied as follows:

- [Choose one: Held in a suspense account / Applied as a pre-payment of future interest / Not reflected on the balance].

I request that you correct this error immediately. Please ensure the extra amount of \$[Extra Amount] is applied directly to the outstanding principal balance effective as of [Date of Original Payment]. Furthermore, please recalculate the interest charges and provide an updated amortization schedule reflecting the corrected principal balance.

Attached are copies of my [Payment Receipt/Canceled Check/Online Confirmation] showing the payment instructions provided at the time of the transaction.

I look forward to receiving a written confirmation that this adjustment has been completed within [Number of Days, e.g., 15] business days.

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Phone Number]

[Your Email Address]