

[Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

RE: Notice of Interest Rate and Payment Change

Account Number: [Account Number]

Dear [Borrower Name],

This letter is to inform you of a change to the interest rate and the resulting monthly payment for your Home Equity Line of Credit (HELOC). These changes are being made in accordance with the terms of your Credit Agreement.

Change Details:

- **Current Interest Rate:** [Old Rate]%
- **New Interest Rate:** [New Rate]%
- **Effective Date of New Rate:** [Date]
- **New Monthly Payment Amount:** \$[Amount]
- **Payment Effective Date:** [Date]

Reason for Change:

Your HELOC has a variable interest rate based on the [Index Name, e.g., Wall Street Journal Prime Rate] plus a margin of [Margin Amount]%. The recent change in this index has resulted in the adjustment of your interest rate.

Please update your records and adjust your payments accordingly. If you have automatic payments scheduled through your bank or our online portal, please ensure the amount is updated to cover the new minimum payment.

If you have any questions regarding this adjustment, please contact our Customer Service Department at [Phone Number] or visit us at [Website].

Sincerely,

[Name of Financial Institution]

[Department Name]