

Date: [Insert Date]

From:

[Lending Institution Name]

[Department Name]

[Street Address]

[City, State, Zip Code]

To:

[Borrower Name(s)]

[Street Address]

[City, State, Zip Code]

RE: Notice of Suspension of Home Equity Line of Credit (HELOC)

Account Number: [Insert Account Number]

Property Address: [Insert Property Address]

Dear [Borrower Name(s)],

This letter serves as formal notification that [Lending Institution Name] has suspended your ability to obtain additional credit advances on the Home Equity Line of Credit referenced above, effective [Effective Date].

This action has been taken based on the following reason(s):

- [Reason 1: e.g., Significant decline in the value of the property securing the loan.]
- [Reason 2: e.g., Material change in financial circumstances/creditworthiness.]
- [Reason 3: e.g., Failure to comply with terms of the loan agreement.]

Please note that while your right to draw new funds is currently suspended, you remain responsible for making all regularly scheduled payments on the outstanding balance according to your original agreement. This suspension does not change your obligation to pay interest, principal, or insurance premiums as required.

If you believe the information used to make this decision is incorrect, or if you would like to request a reinstatement of your credit line, please provide supporting documentation to the address listed above or contact our customer service department.

You have the right to request a specific statement of the reasons for this action if they have not been fully explained here. If you have any questions, please contact us at [Phone Number] between the hours of [Operating Hours].

Sincerely,

[Authorized Signature]
[Name and Title]
[Lending Institution Name]