

# Early Payoff Fee Explanation

Date: [Insert Date]

To: [Borrower's Name]

Address: [Borrower's Address]

Dear [Borrower's Name],

We hope this letter finds you well. We are writing to inform you about the early payoff fee associated with your loan account ([Loan Account Number]).

As per the terms outlined in your loan agreement, an early payoff fee may apply if you choose to pay off your loan before the scheduled maturity date. This fee is designed to recover some of the interest income that would have been earned had the loan remained in place for its full term.

The early payoff fee is calculated as follows:

- Fee Amount: [Insert Fee Amount]
- Conditions for Fee Applicability: [Insert Conditions]

If you decide to proceed with the payoff of your loan early, please ensure that you are aware of this fee and how it is applied. We encourage you to reach out to our customer service department at [Insert Phone Number] or [Insert Email Address] if you have any questions or need further clarification.

Thank you for your attention to this matter. We appreciate your business.

Sincerely,

[Your Name]

[Your Title]

[Company Name]

[Company Address]

[Company Phone Number]