

Letter of Demand for Loan Principal Reduction

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Date]

[Lender's Name]

[Lender's Address]

[City, State, Zip Code]

Subject: Demand for Loan Principal Reduction

Dear [Lender's Name],

I am writing to formally request a reduction of the principal balance on my loan account numbered [Loan Number]. Due to [brief explanation of circumstances, e.g., financial hardship, unexpected expenses], I am finding it increasingly difficult to meet my loan obligations.

In light of my current financial situation, I believe that a reduction in the principal amount would be mutually beneficial and help me continue making timely payments. I would appreciate the opportunity to discuss potential solutions, including a reduction in the principal balance.

Please find attached any necessary documentation that supports my request. I look forward to your prompt response to this matter.

Thank you for your understanding and assistance.

Sincerely,

[Your Signature (if sending a hard copy)]

[Your Printed Name]