

# Important Notice Regarding Your Loan

Date: [Insert Date]

[Borrower Name]  
[Borrower Address]  
[City, State, Zip Code]

Dear [Borrower Name],

We hope this message finds you well. We are reaching out to clarify the terms associated with your loan and to provide important information regarding negative amortization.

As stated in your loan agreement, negative amortization occurs when your payment is not sufficient to cover the interest accruing on your loan balance. This means that the unpaid interest is added to the principal balance of your loan, which can lead to an increase in the total amount you owe over time.

We understand that these terms can be confusing, and we encourage you to reach out if you have any questions or require further clarification. It is important for you to be aware of how this may impact your loan balance and future payments.

To assist you, we have included a few options for repayment plans that may help manage your loan balance effectively. Please feel free to contact our office at [Phone Number] or [Email Address] for personalized assistance or to schedule a consultation.

Thank you for your attention to this matter.

Sincerely,

[Your Name]  
[Your Title]  
[Company Name]  
[Company Address]  
[City, State, Zip Code]