Default Notice Templates

# Notice of Default and Acceleration

[LETTER HEAD]

[Date of Letter]

[Recipient’s Name and Address]

RE: Property Address: [Property Address]

Loan Number: [Loan Number]

Our Reference Number: [Reference Number]

Dear [Recipient]:

You are hereby notified that you are in default under the terms and conditions of the promissory note and mortgage regarding the mortgage loan referred to above ("Loan"). [Sender] has been retained by the servicer of your Loan to inform you of the following:

1. **Notice of Default.**

 You are in default under the terms and conditions of your Loan because you have not made the required installment payments.

2. **Cure Amount.**

 As of the date of this letter, the total monthly payments (including principal, interest, and escrow, as applicable) and other fees and advances due under the terms of your Loan is $[xx.xx]. You are also responsible for monthly payments or other amounts that become due from the date of this letter through [End Date]. If you wish to confirm that your payment will be sufficient to cover the amount due as of the date of this letter and any amounts due after the date of this letter, please contact [Sender] by one of the following methods:

Telephone: [Sender’s Telephone Number]

Fax: [Sender’s Fax Number]

Email: [Sender’s Email Address]

Hours: [Sender’s Hours]

3. **Action Required to Cure the Default.**

 [Lender/Mortgagee] must receive your payment on or before [Due Date]. In order to ensure the default is timely cured, please make payment either by money order, certified check, cashier's check, or wire transfer. ***A*** personal check is not acceptable. Do not make your money order, certified check, or cashier's check payable to [Sender]. Instead, your money order, certified check, or cashier's check must be made payable to [Lender/Mortgagee]. Your payment must be sent to the following address:

[Address where funds need to be sent]

Your payment must include each of the following:

The borrower's name

The loan number

Our reference number

4. **Sufficiency of Your Payment.**

 We do not have any authority to decide whether your payment is sufficient to cure the default. Only our client can decide whether your payment is sufficient to cure the default of your Loan.

5. No Authority to Accept Payment.

 We are not ***a*** payment agent; we do not have any authority to accept your payment on behalf of our client; and, our receipt of your payment does not mean that your payment has been accepted by our client. Our client has exclusive authority to decide whether to accept your payment and apply it to your loan balance.

6. **Notice of Acceleration.**

 If you fail to cure the default on or before [Deadline], our client may accelerate the maturity of the Loan, declare all sums secured by the Mortgage or Security Instrument immediately due and payable, and commence foreclosure by judicial proceeding and conduct ***a*** sale of the Property. If foreclosure proceedings are commenced, ***a*** monetary judgment may be obtained against you, if applicable under existing law and if the original obligation has not been discharged or subject to ***an*** automatic stay of bankruptcy under Title 11 of the United States Code. The acceleration of the Loan may require you to immediately pay the full amount of the principal that has not been paid and all interest you owe on that amount, plus all of the costs and expenses which [Lender/Mortgagee]. is permitted to collect under Ohio law in enforcing the promissory note and mortgage.

7. Right to Reinstate and Assert Defenses.

 If permitted by your Loan documents or applicable law, you have the right to reinstate the Loan after acceleration and the right to assert in the foreclosure proceeding the non-existence of ***a*** default or any other defense you may have to acceleration and foreclosure. However, the amount required to reinstate the Loan may be higher than the amount set forth in this letter due to additional fees and charges that our client is entitled to collect under the Loan documents, including, but not limited to, additional installment payments, taxes, insurance, inspection fees, attorney fees and costs, and other fees as permitted by the Loan documents and applicable law.

8. **Foreclosure Alternatives.**

 You may have options other than foreclosure. You are encouraged to discuss foreclosure alternatives with ***a*** counselor approved by the United States Department of Housing and Urban Development ("HUD"). ***A*** list of HUD-approved homeownership counseling agencies may be located at www.hud.gov or by contacting HUD toll-free at 800-569-4287 (persons with hearing or speech impairments may access HUD's toll-free number via TTY by calling the Federal Information Relay Service at 800-877-8339). Further, you may directly contact [Lender/Mortgagee] at [Telephone Number] to discuss foreclosure alternatives.

Respectfully,

[Sender]

**NOTICE UNDER THE FAIR DEBT COLLECTION PRACTICES ACT**

[Sender] is ***a*** law firm retained to collect ***a*** debt. Any information obtained will be used for that purpose.

To the extent your original obligation has been discharged or is subject to ***an*** automatic stay of bankruptcy under Title 11 of the United States Code, this notice is for compliance and informational purposes only or is notice of the creditor's intent to enforce ***a*** lien against property and is not ***an*** attempt to collect ***a*** debt, ***a*** demand for payment, or ***an*** attempt to impose personal liability for that debt.

As of the date of this notice, the amount of the debt is $[xx.xx]. This amount is not ***a*** payoff amount. The amount of the debt may change because of interest, late charges, and other fees and charges that may vary from day to day. If you pay the amount shown above, ***an*** adjustment may be necessary. For further information or if you wish to pay the debt, please contact [Sender] in writing at the address above or by telephone at [Telephone Number].

The creditor to whom the debt is owed is [Lender/Mortgagee].

You are entitled to thirty (30) days after your receipt of this notice to notify [Sender] that you dispute the validity of the debt or any portion of the debt. If you do not dispute the debt or any portion of the debt within thirty (30) days of your receipt of this notice, [Sender] will assume that it is valid.

If you notify [Sender] in writing within thirty (30) days after your receipt of this notice that you dispute the debt or any portion of the debt, [Sender] will obtain verification of the debt and mail ***a*** copy of that verification to you. Also, if within thirty (30) days of your receipt of this notice you request in writing the name and address of the original creditor, if the original creditor is different from [Lender/Mortgagee], [Sender] will provide you with that information.

[Sender] is not required to wait until the end of the thirty (30) day periods described above before filing ***a*** foreclosure action in court or taking other legal action to collect the debt. If you request verification of the debt or the name and address of the original creditor, as set forth above, [Sender] is required to suspend its efforts to collect the debt until [Sender] sends the requested information to you.

This notice pertains only to your dealings with [Sender] as ***a*** debt collector. This notice does not affect or change your obligations or dealings with any court or court official. Specifically, this notice does not change the time by which you must respond to any summons or judicial action, if judicial action is taken against you to collect the debt before the expiration of the thirty (30) day periods described above. If you receive ***a*** summons from the court, the summons is ***a*** command from the court, not from [Sender], and you must follow its instructions even if you dispute the validity or amount of the debt.

You may receive one or more other letters or notices around the time of your receipt of this notice containing information about possible loss mitigation alternatives to foreclosure. Such letters are not ***an*** attempt to collect ***a*** debt but rather are intended for informational purposes only. Such communications do not reduce, alter, or contradict your rights to (1) dispute the debt or any portion of the debt, as described in this notice, or (2) request verification of the debt, as described in this notice.

**ADDITIONAL NOTICE PURSUANT TO OHIO REVISED CODE SECTION 1349.72**

Pursuant to Ohio Revised Code § 1349.72, we are required to make the following disclosure:

• You have the right to ***an*** attorney;

• You may qualify for debt relief under Chapter 7 or 13 of the United States Bankruptcy Code, 11 U.S.C. Chapter 7 or 13, as amended; and,

• If you qualify under Chapter 13 of the United States Bankruptcy Code, you may be able to protect your residential real property from foreclosure.

**End of Document**