Claude Loan

Free guide, October 2026 edition

The Mortgage Letters Pack: 7 Printable Fill-In Letters (2026)

Gift letter, letters of explanation, rate lock extension, reconsideration of value, PMI cancellation, request for information and escrow notice of error, each with its rule.

- Gift letter with every element Fannie Mae requires (B3-4.3-04)
- Letters of explanation: credit inquiries, large deposit, employment gap
- Rate lock extension request
- Request for reconsideration of value after a low appraisal
- Request to cancel PMI under the Homeowners Protection Act
- Request for information and escrow notice of error to your servicer (RESPA), with deadlines

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Free online: the latest edition of this guide and the plain-English guides behind it are at claude-loan.com/free-guides/mortgage-letter-templates/.

INTRODUCTION

How to use this guide

Lenders and servicers ask for letters, and some of your strongest rights only start when you write one. This pack gives you seven fill-in templates: a gift letter, letters of explanation, a rate lock extension request, a request for reconsideration of value after a low appraisal, a request to cancel private mortgage insurance, a request for information to your servicer, and a notice of error for an escrow mistake. Each one comes with the rule it relies on and what the other side must do once it receives it.

How to use it: copy the template into an email or a document, replace every bracket, keep the sentences short and factual, sign and date it, and attach the proof it mentions. Keep a copy and note the date you sent it. For the servicer letters (chapters 6 and 7), send them to the address your servicer designated for these requests, if it gave you one.

The rules quoted are those in force in October 2026: the Fannie Mae Selling Guide, Regulation Z (12 CFR 1026), Regulation X (12 CFR 1024, RESPA) and the Homeowners Protection Act (12 U.S.C. 4901 and following). Section numbers are given so you can read the official text.

> **Important:** Claude Loan is an information publisher, not a law firm, lender or servicer. These templates are general information, not legal advice; adapt them to your facts. Never write anything in a letter that is not true. If you are behind on payments, a HUD-approved housing counselor helps for free: hud.gov/findacounselor or 800-569-4287.

PART 1

Gift letter

The rule

Under Fannie Mae's rule, gifts must be evidenced by a letter signed by the donor, called a gift letter. It must specify the actual or maximum dollar amount of the gift, include the donor's statement that no repayment is expected, and indicate the donor's name, address, telephone number and relationship to the borrower. Acceptable donors include a relative (by blood, marriage, adoption or legal guardianship) and a non-relative who shares a familial relationship with the borrower, such as a domestic partner or fiancé; the donor cannot be affiliated with the builder, the developer, the real estate agent or any other interested party. The transfer is documented, for example, with a copy of the donor's check and the borrower's deposit slip, or evidence of the electronic transfer (Selling Guide B3-4.3-04). FHA, VA and USDA loans have their own gift rules: ask your lender for its form.

Template

> **Gift letter.** Date: [date]. To: [lender name], loan number [number, if known]. Borrower(s): [full names]. Property: [address, or "to be determined"]. I, [donor full name], am giving [borrower name] a gift of $[amount] [or: up to $[maximum]] to be used toward the purchase of the property above. This is a gift. No repayment is expected or required, in cash or in services, now or in the future. The funds [were transferred on [date] from my account at [bank] / will be transferred to the closing agent before closing]. Donor: [name], [address], [phone]. Relationship to the borrower: [relationship]. I am not affiliated with the seller, builder, developer, real estate agent or any other party to this transaction. Donor signature: _____ Date: _____. Borrower signature: _____ Date: _____.

- [ ] Amount matches the transfer record
- [ ] Donor's account statement or transfer proof attached, if the lender asks
- [ ] Signed by the donor

PART 2

Letters of explanation

The rule

Underwriters ask for a letter when something in your file needs a reason. For credit inquiries, Fannie Mae tells lenders to examine inquiries to determine whether they represent potential sources of undisclosed credit (Selling Guide B3-5.3-09). For large deposits, the lender must evaluate any single deposit that exceeds 50% of the total monthly qualifying income when bank statements are used (Selling Guide B3-4.2-02).

Template: credit inquiries

> **Letter of explanation: credit inquiries.** Date: [date]. To: [lender], loan number [number]. Borrower: [name]. You asked about the following inquiries on my credit report. 1) [date], [creditor]: [reason, for example "rate quote for this mortgage, no account opened"]. 2) [date], [creditor]: [reason, for example "auto loan opened on [date], balance $[amount], payment $[amount] a month, statement attached"]. No other new credit was opened. Signature: _____

Template: large deposit

> **Letter of explanation: deposit.** Date: [date]. To: [lender], loan number [number]. The deposit of $[amount] on [date] into my [bank] account ending [last 4 digits] came from [source: sale of my car / tax refund / bonus / transfer from my savings account ending [digits]]. Attached: [bill of sale and buyer's check / IRS notice / paystub / statement of the source account]. Signature: _____

Template: employment gap

> **Letter of explanation: employment.** Date: [date]. To: [lender], loan number [number]. From [date] to [date] I was not employed because [reason: relocation, caring for a family member, study]. I started my current position at [employer] on [date]. Attached: [offer letter / paystubs]. Signature: _____

PART 3

Rate lock extension request

The rule

No federal rule obliges a lender to extend a lock; the price and policy are in your lock agreement. What the rule does require is a revised Loan Estimate no later than three business days after a rate is locked, for the points, lender credits and other rate-dependent charges (12 CFR 1026.19(e)(3)(iv)(D)). Ask early, in writing, and ask who pays when the delay was caused by the lender.

Template

> **Request to extend rate lock.** Date: [date]. To: [loan officer], [lender], loan number [number]. My rate of [rate]% with [points] points is locked until [expiration date]. Closing is now expected on [new date] because [reason, for example "the appraisal was delivered on [date], [number] days after it was ordered" / "the seller asked to move closing"]. I ask you to extend the lock to [date]. Please confirm in writing: the new expiration date; the cost of the extension, if any, and how it will be charged; and, if the delay was caused by the lender or a provider it chose, whether the extension cost will be waived. Please send a revised Loan Estimate or Closing Disclosure showing any change. Signature: _____

PART 4

Reconsideration of value after a low appraisal

The rule

In July 2024 the CFPB, FDIC, Federal Reserve, NCUA and OCC issued final interagency guidance on reconsiderations of value for residential real estate valuations (CFPB announcement). Fannie Mae requires lenders to have policies and procedures for a borrower-initiated reconsideration of value, and the disclosure you receive must make clear that only one borrower-initiated reconsideration is permitted per appraisal (Selling Guide B4-1.3-12). You also have a right to a copy of each appraisal and valuation (12 CFR 1002.14). Make one complete request: factual errors and better comparable sales, with proof.

Template

> **Request for reconsideration of value.** Date: [date]. To: [loan officer], [lender], loan number [number]. Property: [address]. Appraisal effective date: [date]. Appraised value: $[amount]. I received the appraisal on [date] and ask the lender to request a reconsideration of value under its process. 1) Factual errors: [for example "living area reported as [x] sq ft; county record attached shows [y] sq ft"]. 2) Comparable sales not considered: [address, sale date, price, living area, distance, data source] for each, and why each is more similar than the comparable in the report. 3) Other: [for example "no time adjustment on a sale [x] months old"]. I do not ask for a particular value; I ask that the appraiser consider this information and explain the conclusion. Please confirm receipt and the expected response time. Signature: _____

PART 5

Request to cancel private mortgage insurance

The rule

Under the Homeowners Protection Act, PMI on a conventional loan must be cancelled on the cancellation date, or later when you meet the conditions, if you submit a written request to the servicer, have a good payment history, are current, and satisfy the holder's requirements for evidence that the value has not declined below the original value and certification that your equity is not encumbered by a subordinate lien (12 U.S.C. 4902(a)). For a fixed-rate loan, the cancellation date is when the principal balance, by the initial amortization schedule or by actual payments, first reaches 80% of the original value (12 U.S.C. 4901). PMI terminates automatically when the balance is first scheduled to reach 78% of the original value if you are current (same sections).

Template

> **Request to cancel private mortgage insurance.** Date: [date]. To: [servicer], [address for written requests], loan number [number]. Property: [address]. Under the Homeowners Protection Act (12 U.S.C. 4902(a)), I request cancellation of the private mortgage insurance on this loan. My principal balance is $[amount], which is [x]% of the original value of $[amount] [by the amortization schedule / by my actual payments]. I am current on my payments and have no late payments in [period]. There is no second mortgage or other subordinate lien on the property [or: describe]. Please tell me in writing what evidence of value you require, and the date the premiums will stop. Signature: _____

PART 6

Request for information to your servicer

The rule

A servicer must respond to a written request for information that includes your name, information that identifies your loan account, and the information you request (12 CFR 1024.36). It must acknowledge receipt within five days (excluding legal public holidays, Saturdays and Sundays), and respond within 10 such days for the identity and contact information of the owner of your loan, or within 30 such days for other requests, with a possible 15-day extension in some cases. A servicer may designate a specific address for these requests; use it.

Template

> **Request for information under 12 CFR 1024.36.** Date: [date]. To: [servicer], [designated address]. Borrower: [name]. Loan number: [number]. Property: [address]. Please provide the following information about my mortgage loan: 1) [the name and contact information of the owner of my loan]; 2) [a full payment history from [date] to today]; 3) [the escrow account analysis for [year] and the calculation of my new payment]. Please send it to [address / email]. Signature: _____

PART 7

Notice of error: escrow account

The rule

Each year your servicer analyzes your escrow account and sends an annual escrow account statement within 30 days of the end of the computation year; the cushion it may hold is limited to one-sixth of the estimated total annual payments from the account, and a surplus of $50 or more must be refunded within 30 days of the analysis if you are current (12 CFR 1024.17). Failing to pay taxes or insurance on time from escrow, or to refund an escrow balance when required, are covered errors. When you send a written notice of error with your name, information that identifies the loan and the error you believe occurred, the servicer must acknowledge it within five days and, for most errors, correct it or explain after a reasonable investigation within 30 days (excluding legal public holidays, Saturdays and Sundays), with a possible 15-day extension (12 CFR 1024.35).

Escrow check before you write

Line	From the escrow statement	Your check
Property tax paid (date, amount)		
Insurance premium paid (date, amount)		
Projected annual disbursements		
One-sixth of that amount (maximum cushion)		
Cushion the servicer is holding		
Surplus shown, and refund date		
Shortage shown, and how it is collected		

Template

Notice of error under 12 CFR 1024.35. Date: [date]. To: [servicer], [designated address]. Borrower: [name]. Loan number: [number]. Property: [address]. I believe the following error occurred in my escrow account: [for example "the escrow analysis dated [date] projects a property tax of $[amount]; the county bill for [year], attached, is $[amount]" / "my homeowners insurance premium due [date] was not paid and the policy was cancelled on [date]" / "the analysis shows a surplus of $[amount] that has not been refunded"]. Please correct the error and send me a written confirmation and a corrected escrow analysis, or explain in writing why you believe no error occurred and send me the documents you relied on. Signature: _____

Letter sent	Date sent	How (mail, portal, email)	Acknowledgment received	Answer due	Answer received

NOTES

Sources and notes

Every rule in this guide is quoted with its source as in force on the date of this edition, so you can read the official text yourself. The main sources are:

- Fannie Mae Selling Guide B3-4.3-04, personal gifts: https://selling-guide.fanniemae.com/sel/b3-4.3-04/personal-gifts
- Fannie Mae Selling Guide B4-1.3-12, appraisal quality matters (reconsideration of value): https://selling-guide.fanniemae.com/sel/b4-1.3-12/appraisal-quality-matters
- 12 U.S.C. 4902, termination of private mortgage insurance: https://www.law.cornell.edu/uscode/text/12/4902
- eCFR, 12 CFR 1024.35, error resolution procedures: https://www.ecfr.gov/current/title-12/chapter-X/part-1024/subpart-C/section-1024.35
- eCFR, 12 CFR 1024.17, escrow accounts: https://www.ecfr.gov/current/title-12/chapter-X/part-1024/subpart-B/section-1024.17

Numbers in worked examples are either taken from those sources or are assumptions stated as illustrative to show the arithmetic; illustrative interest rates are not offers. No testimonial, review or result in this guide is invented.

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Corrections and questions: mail@noreply.claude-loan.com.