

SAMPLE TILA RESCISSION NOTICE (short version)

The following is an example of a short TILA rescission notice that lists specific violations. This notice is for purposes of demonstration only. It must be tailored to a particular case by a professional.

TILA requires only a bare bones letter, which does not need to have as much explanation as this letter.¹ However, the practitioner may make include the specific violations for strategic reasons.² If so, the letter always should include a sentence similar to the fifth paragraph below in case other violations that trigger rescission come to light later in the case. In addition, the letter should contain a request for an itemized statement containing what is owing, including the payment record, to facilitate the consumer’s tender obligation even if the consumer’s plan for tender is not yet clear. In limited, egregious circumstances, the creditor may forfeit its right to the tender. Seeking a court determination on this issue may be warranted before agreeing to pay a tender amount. For a discussion of tender issues, see §§ 10.6.5, 10.8.

VIA FIRST CLASS MAIL AND 1CERTIFIED MAIL,
RETURN RECEIPT REQUESTED
No. XXXXXXXXXXXXXXX

[Date]

JP Morgan Chase Bank, NA
Address

Re: Loan No.
Transaction between Homeowner and JPMorgan Chase Bank, NA, dated
April 30, 2016, involving note and security deed and secured by
residential property at [address]

To Whom It May Concern:

I represent Homeowner concerning the mortgage loan transaction which she entered into with JP Morgan Chase Bank, N.A. on April 30, 2016 ("the transaction").

Homeowner has a present right to rescind the transaction for at least the following reason: she was not provided with the type of notice of her right of rescission under the Truth in Lending Act ("TILA"), 15 U.S.C. §1601 et seq., that is required by the Federal

¹ The Rescission model forms in Regulation Z Appendices H-8 to H-9 are shorter and safer, simply providing:
I WISH TO CANCEL

Homeowner’s Signature
² See discussion in § 10.6.2.2.

Date

Reserve Board for a refinancing with the same lender. Homeowner reserves all rights to raise additional or alternative grounds for rescission under state or federal law.

I have been authorized by Homeowner to rescind the transaction and hereby exercise that right on her behalf pursuant to 15 U.S.C. §1635, and Regulation Z, 12 C.F.R. §1026.23. This rescission is effective as to all aspects of the transaction, including all documents signed in connection therewith, and automatically and immediately places the parties in the status quo ante, i.e., in their pre-contractual positions, before the transaction was entered into.

You have twenty days after receipt of this letter to return to my client all monies paid by her in the transaction and to take any action necessary to reflect the termination of any security interest created under the transaction. Please be advised that if you do not cancel the security interest and return all consideration paid by our client within twenty days of receipt of this letter, you will be responsible for actual and statutory damages pursuant to 15 U.S.C. § 1640(a).

Please provide me with an itemization of the loan disbursements, the loan charges, the current principal balance, and all payments received from my client, so that we may determine the exact amount needed for tender.

If you wish to contact me regarding this matter, I can be reached at...

Sincerely,

Attorney for Homeowner