[Sender Name/Lending Institution]

[Sender Address]

[City, State, Zip Code]

[Date]

SENT VIA CERTIFIED MAIL

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

RE: NOTICE OF DEFAULT AND DEMAND FOR IMMEDIATE CURE

Loan Account Number: [Loan Number]
Property Address: [Property Address/Description]

To [Borrower Contact Name],

Pursuant to the Loan Agreement dated [Date of Agreement] between [Lender Name] ("Lender") and [Borrower Name] ("Borrower"), notice is hereby given that Borrower is in violation of the financial covenants stipulated therein.

Specifically, Section [Section Number] of the Agreement requires Borrower to maintain a minimum Debt Service Coverage Ratio (DSCR) of [Required Ratio, e.g., 1.25x]. Based on the financial statements provided for the period ending [Date], the calculated DSCR is [Actual Ratio], which falls below the mandatory threshold.

This failure to maintain the required DSCR constitutes an Event of Default under the terms of the Loan Agreement. Consequently, Lender hereby demands that Borrower cure this violation immediately by performing one or more of the following actions:

- Providing an immediate cash infusion to the property's operating accounts;
- Making a principal reduction payment in the amount of $[Amount] to bring the ratio into compliance;
- Providing additional collateral acceptable to the Lender.

Borrower is required to submit a formal remediation plan to the Lender no later than [Date]. Failure to cure this default within [Number] days of this letter may result in the Lender exercising its rights and remedies under the Loan Documents, including but not limited to the acceleration of the full loan balance, imposition of default interest rates, or initiation of foreclosure proceedings.

This letter does not constitute a waiver of any existing or future defaults, and the Lender reserves all rights available under law and the governing agreements.

Sincerely,

[Signature]

[Name of Authorized Officer]
[Title]
[Lending Institution]