SENT VIA CERTIFIED MAIL / RETURN RECEIPT REQUESTED

Date: [Insert Date]

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

Re: FINAL DEMAND - Notice of Default and Breach of Financial Covenant

Dear [Name of Contact Person],

This letter serves as formal notice regarding the Credit Agreement dated [Date of Agreement] (the "Agreement") by and between [Lender Name] ("Lender") and [Borrower Name] ("Borrower").

Pursuant to Section [Insert Section Number] of the Agreement, the Borrower is required to maintain a minimum Debt Service Coverage Ratio (DSCR) of [Insert Required Ratio, e.g., 1.25:1.00]. Based on the financial statements provided for the period ending [Date], the Borrower's DSCR was calculated at [Insert Actual Ratio], which falls below the required threshold.

This failure constitutes an Event of Default under Section [Insert Section Number] of the Agreement. On [Date of Previous Notice], the Lender issued a Notice of Non-Compliance; however, as of the date of this letter, the breach remains uncured.

FINAL DEMAND IS HEREBY MADE for the immediate remediation of this default. Specifically, the Lender requires the following action(s) by no later than [Insert Deadline Date]:

- [Option A: Immediate injection of equity capital in the amount of $_______ to restore the ratio.]
- [Option B: Full repayment of the outstanding principal balance of $_______ plus accrued interest.]

Failure to cure this breach or reach a written forbearance agreement by the deadline stated above will result in the Lender exercising all available legal rights and remedies. These may include, but are not limited to, the acceleration of the full loan balance, the termination of further funding, and the initiation of foreclosure proceedings against collateral.

Please contact [Contact Name] at [Phone Number] or [Email Address] immediately to discuss the resolution of this matter.

Sincerely,

[Signature]
[Name of Authorized Representative]

[Title]
[Lender Name]

cc: [Guarantor Name(s)]