[Your Company Name/Lender Name]
[Department/Contact Person]
[Address]
[City, State, Zip Code]

[Date]

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

RE: NOTICE OF NON-COMPLIANCE AND DEMAND FOR DSCR COVENANT CURE
Loan Account Number: [Loan Number]
Property Address: [Property Address]

Dear [Borrower Name],

This letter serves as formal notification that [Borrower Name] is currently in violation of the Debt Service Coverage Ratio (DSCR) covenant as stipulated in the Loan Agreement dated [Date of Agreement], specifically under Section [Section Number].

Based on the financial statements provided for the period ending [Date], the calculated DSCR is [Current DSCR], which falls below the minimum required ratio of [Required DSCR].

DEMAND FOR CURE:

Pursuant to the terms of the Loan Agreement, you are hereby required to cure this covenant breach within [Number of Days] days from the date of this letter. Acceptable methods of cure include, but are not limited to:

- A principal curtailment payment in the amount of $[Amount] to restore the DSCR to compliant levels.
- The deposit of additional collateral or cash reserves into a lender-controlled account.
- Evidence of increased Net Operating Income sufficient to meet the required ratio.

Please submit a written "Plan to Cure" no later than [Date]. Failure to cure this default within the specified timeframe may result in the Lender exercising its rights and remedies under the Loan Documents, including but not limited to, the acceleration of the loan, adjustment of interest rates, or initiation of legal proceedings.

This notice does not constitute a waiver of any rights or remedies available to the Lender. All rights are expressly reserved.

Sincerely,

[Signature]
[Name of Authorized Representative]
[Title]
[Phone Number]