

SENT VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Date: [Insert Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

RE: NOTICE OF DEFAULT, ACCELERATION, AND DEMAND FOR PAYMENT

Loan Number: [Insert Loan Number]

Property Address: [Insert Property Address]

Dear [Borrower Name],

This letter serves as formal notice from [Lender Name] ("Lender") regarding the above-referenced loan. Pursuant to the Loan Agreement dated [Insert Date], the Borrower is required to maintain a minimum Debt Service Coverage Ratio (DSCR) of [Insert Required Ratio].

NOTICE OF DEFAULT:

Based on the financial statements provided for the period ending [Insert Period Date], your actual DSCR was [Insert Actual Ratio]. This constitutes a violation of the financial covenants set forth in Section [Insert Section Number] of the Loan Agreement. This failure to maintain the required DSCR is an Event of Default.

NOTICE OF ACCELERATION:

As a result of this Event of Default, and in accordance with the terms of the Promissory Note and Security Instrument, the Lender hereby exercises its right to accelerate the maturity of the Loan. The entire unpaid principal balance, together with all accrued interest and applicable fees, is now due and payable in full immediately.

DEMAND FOR PAYMENT:

Demand is hereby made for the immediate payment of the total payoff amount calculated as of [Insert Date]:

- Unpaid Principal Balance: \$[Amount]
- Accrued Interest: \$[Amount]
- Late Charges/Fees: \$[Amount]
- **TOTAL AMOUNT DUE: \$[Total Amount]**

Payment must be received by the Lender no later than [Insert Deadline Date] via wire transfer or certified funds. Please contact [Contact Name] at [Phone Number] to obtain specific wiring instructions.

Failure to remit the total amount due by the date specified will result in the Lender pursuing all available legal remedies to recover the debt, including but not limited to, the initiation of foreclosure proceedings against the property located at [Property Address].

No waiver of any default shall be implied by any failure of the Lender to exercise any right or remedy. This letter does not waive any of the Lender's rights, all of which are expressly reserved.

Sincerely,

[Authorized Signatory Name]

[Title]

[Lender Name]

CC: [Guarantor Name, if applicable]