

SENT VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Date: [Insert Date]

Borrower: [Insert Borrower Name]

Guarantor(s): [Insert Guarantor Names]

Property Address: [Insert Property Address]

Loan Account Number: [Insert Loan Number]

RE: NOTICE OF DEFAULT AND INTENT TO FORECLOSE

Dear [Insert Borrower Name],

This letter serves as formal notice that the commercial loan evidenced by the Promissory Note dated [Insert Original Note Date] in the original principal amount of \$[Insert Amount] has reached its maturity date of [Insert Maturity Date].

The entire unpaid balance of the Loan, commonly referred to as the "Balloon Payment," is now past due. As of the date of this letter, the total amount required to satisfy the debt is as follows:

- Principal Balance: \$[Amount]
- Accrued Interest: \$[Amount]
- Late Charges/Default Interest: \$[Amount]
- Legal/Administrative Fees: \$[Amount]
- **TOTAL PAYOFF AMOUNT: \$[Total Amount]**

Daily interest continues to accrue at the rate of \$[Amount] per day.

DEMAND FOR PAYMENT: Demand is hereby made for the immediate payment of the Total Payoff Amount. You have until [Insert Date - e.g., 10 to 30 days from letter date] to remit the full amount to the undersigned.

INTENT TO FORECLOSE: Failure to pay the full amount by the date specified above will result in the Lender initiating formal foreclosure proceedings against the property located at [Insert Property Address] without further notice. The Lender further reserves the right to pursue all other legal remedies, including but not limited to, the appointment of a receiver and the filing of a deficiency judgment against the Borrower and any Guarantors.

Please contact [Name of Contact Person] at [Phone Number] or [Email Address] immediately to arrange for the wiring of funds or to discuss the status of this debt.

Sincerely,

[Your Signature]

[Your Printed Name]

[Title]

[Lending Institution Name]

CC: [Insert Name of Legal Counsel]