

SENT VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Date: [Insert Date]

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

Re: NOTICE OF DEFAULT AND DEMAND FOR BALLOON PAYMENT

Account/Loan Number: [Insert Loan Number]
Property Address: [Insert Property Address, if applicable]

Dear [Borrower Name],

This letter serves as formal notice that you are in default under the terms of the [Promissory Note/Loan Agreement] dated [Insert Original Date of Loan].

Pursuant to the terms of the Agreement, a final balloon payment in the amount of \$[Insert Amount] was due on [Insert Maturity Date]. As of the date of this letter, the Lender has not received this payment. Consequently, the loan is now matured and is in default.

DEMAND FOR PAYMENT

Demand is hereby made for the immediate payment of the full outstanding balance, including principal, accrued interest, and late fees, totaling \$[Insert Total Amount Due]. This amount must be paid in full by [Insert Deadline Date] to avoid further legal action.

RESERVATION OF RIGHTS

Please be advised that any actions taken by the Lender, including the acceptance of partial payments (if any), discussions regarding a potential workout, or delays in exercising its rights, shall not constitute a waiver of the Lender's rights or remedies under the Agreement or applicable law. The Lender expressly reserves all rights, powers, and remedies available to it, including but not limited to the right to initiate foreclosure proceedings, file a lawsuit for collection, or report this default to credit bureaus, without further notice.

Please remit the total amount due to the following address:

[Lender Name/Payment Address]
[City, State, Zip Code]

If you have any questions regarding this balance, please contact [Insert Contact Name] at [Insert Phone Number].

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Title/Company Name]