

SENT VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Date: [Insert Date]

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

Re: Notice of Breach of Construction Loan Agreement

Loan Number: [Insert Loan Number]
Property Address: [Insert Project Address]

To [Name of Loan Officer or Department],

This letter serves as formal notice that [Borrower Name] ("Borrower") considers [Lender Name] ("Lender") to be in material breach of the Construction Loan Agreement dated [Date of Agreement].

Specifically, Lender has failed to comply with the Draw Provisions set forth in Section [Insert Section Number] of the Agreement. On [Date of Draw Request], Borrower submitted Draw Request #[Number] in the amount of \$[Amount] for completed work verified by [Name of Inspector/Architect].

Pursuant to the Agreement, Lender was required to fund this request within [Number] business days. As of the date of this letter, [Number] days have passed, and the funds have not been disbursed. This failure constitutes a breach of contract.

The delay in funding has caused the following immediate impacts on the project:

- Stoppage of work by general contractor and subcontractors.
- Accrual of interest and late fees.
- Potential for mechanic's liens to be filed against the property.
- [Insert any other specific damages].

DEMAND IS HEREBY MADE that Lender cure this breach by disbursing the full amount of the pending Draw Request within [Number] business days of receipt of this letter.

Failure to cure this breach immediately will leave Borrower with no alternative but to pursue all available legal remedies, including but not limited to, claims for consequential damages, specific performance, and recovery of attorney's fees.

Please confirm in writing once the funds have been initiated.

Sincerely,

[Signature]

[Printed Name of Borrower]

[Phone Number]

[Email Address]

CC: [Name of Legal Counsel, if applicable]