

Date: [Insert Date]

TO: [Lender Name / Financial Institution]

ATTN: Loan Administration / Disbursement Department

ADDRESS: [Insert Lender Address]

RE: DEMAND FOR IMMEDIATE AUDIT OF CONSTRUCTION LOAN DRAW RECORDS

Loan Number: [Insert Loan Number]

Project Address: [Insert Project Address]

To Whom It May Concern,

This letter serves as a formal demand for an immediate and comprehensive audit of all disbursement records and draw requests associated with the above-referenced construction loan.

I am requesting a full accounting of all funds released to date, including but not limited to:

- Copies of all Draw Requests submitted by the General Contractor or Borrower.
- Copies of all Lien Waivers (conditional and unconditional) associated with each draw.
- Evidence of all Inspection Reports performed prior to fund release.
- Proof of payment (cancelled checks or wire confirmations) to all subcontractors and vendors.
- A detailed ledger showing the remaining balance of the construction holdback and contingency funds.

Discrepancies have been identified regarding the percentage of work completed versus the total funds disbursed. Specifically, [Insert Brief Description of Discrepancy, e.g., funds were released for materials not yet on-site].

Please provide the requested documentation and a written explanation of the verification process used for these draws within [Insert Number, e.g., 5 or 10] business days of receipt of this letter. Failure to provide this transparency may result in the suspension of further draws and the initiation of formal legal or regulatory action.

I look forward to your prompt cooperation in this matter.

Sincerely,

[Your Name]

[Your Title/Capacity, e.g., Borrower or Owner]

[Your Phone Number]

[Your Email Address]