

Date: [Insert Date]

To:

[Contractor/Company Name]

[Address Line 1]

[City, State, Zip Code]

RE: Reservation of Rights Regarding Construction Draw Request #[Insert Number]

Dear [Contact Name],

This letter concerns the draw request submitted on [Date] in the amount of \$[Amount] for the project located at [Project Address].

Upon review, we have identified the following discrepancies:

- [Description of discrepancy 1: e.g., Unfinished work labeled as complete]
- [Description of discrepancy 2: e.g., Missing lien waivers]
- [Description of discrepancy 3: e.g., Costs exceeding the agreed budget/schedule of values]

Please be advised that while a payment in the amount of \$[Amount Paid] is being issued to maintain project momentum, this payment is made under a full reservation of all rights and remedies available under the contract and at law.

Payment of this draw does not constitute:

- An acceptance of the work performed to date.
- A waiver of any defaults, delays, or defective workmanship.
- An agreement to the disputed amounts or quantities listed in the draw request.

We require the aforementioned discrepancies to be resolved by [Date] to avoid impacts on future disbursements. We reserve the right to offset future payments or seek reimbursement should the discrepancies remain unresolved.

Nothing in this letter or our subsequent actions shall be construed as a waiver of any terms or conditions of the Construction Agreement dated [Contract Date].

Sincerely,

[Your Name/Authorized Representative]

[Your Company Name]

[Your Phone Number]