

Date: [Insert Date]

VIA: [Insert Delivery Method, e.g., Certified Mail / Email]

To: [Junior Lender/Creditor Name]

Address: [Junior Lender Street Address]

City, State, Zip: [Junior Lender City, State, Zip]

**RE: NOTICE OF DEFAULT AND DEMAND TO CURE - VIOLATION OF
SUBORDINATION AGREEMENT**

Borrower Name: [Insert Borrower Name]

Loan Account Number: [Insert Senior Loan Number]

Subordination Agreement Date: [Insert Date of Agreement]

Dear [Contact Person Name or Legal Department],

This letter serves as formal notice that [Insert Your Bank Name] ("Senior Lender") has identified a material breach of the Subordination Agreement executed on [Insert Date] regarding the above-referenced Borrower.

Under the terms of the Subordination Agreement, you agreed to subordinate your security interest and/or right to payment to the interests of the Senior Lender. Specifically, the Senior Lender has identified the following violation(s):

- [Insert Detail: e.g., Receipt of prohibited principal/interest payments from the Borrower]
- [Insert Detail: e.g., Improper filing of a lien in a superior position]
- [Insert Detail: e.g., Initiation of collection or foreclosure actions without consent]

Pursuant to Section [Insert Section Number] of said Agreement, these actions constitute a default. Demand is hereby made that you immediately:

1. Cease and desist from any further actions that violate the priority of the Senior Lender;
2. Remit any prohibited payments received to the Senior Lender within [Insert Number, e.g., 5] business days;
3. Release or subordinate any liens filed in violation of the agreement;
4. Provide written confirmation of your compliance with these demands.

Failure to cure this violation by [Insert Deadline Date] will result in the Senior Lender pursuing all available legal and equitable remedies, including but not limited to, litigation to enforce the agreement, recovery of damages, and recovery of attorney's fees as permitted by law.

Please govern yourself accordingly.

Sincerely,

[Your Signature]
[Your Printed Name]
[Your Title]
[Your Bank Name]
[Phone Number]
[Email Address]

CC: [Borrower Name]