

DATE: [Date]

VIA: [Certified Mail / Overnight Delivery]

TO (Borrower):

[Borrower Name]

[Borrower Address]

[City, State, Zip]

TO (Guarantor, if applicable):

[Guarantor Name]

[Guarantor Address]

RE: NOTICE OF DEFAULT AND RIGHT TO CURE

Loan Account Number: [Loan Number]

Project Property: [Project Address/Legal Description]

Loan Agreement Date: [Date of Original Agreement]

Dear [Borrower Name],

This letter serves as formal notice that you are in default under the terms of the Construction Loan Agreement dated [Agreement Date]. Specifically, you have failed to satisfy the following construction milestone(s) required by the Project Schedule:

- **Missed Milestone:** [Description of Milestone, e.g., Foundation Completion]
- **Required Completion Date:** [Original Due Date]

Pursuant to Section [Section Number] of the Loan Agreement, this failure constitutes an Event of Default. Consequently, [Lender Name] has elected to suspend all further funding and disbursements for the Project until this default is cured.

RIGHT TO CURE:

You are hereby granted the right to cure this default by performing the following actions:

1. Complete the milestone(s) described above to the satisfaction of the Lender's inspector.
2. Provide proof of payment for all labor and materials related to said milestone to ensure no liens are filed.
3. [Additional Requirement, if any]

The aforementioned cure must be completed no later than [**Cure Deadline Date**], which is [Number] days from the date of this notice.

Failure to cure this default within the specified timeframe may result in the Lender exercising its rights and remedies under the Loan Documents, which include, but are not limited to,

accelerating the full balance of the loan, instituting foreclosure proceedings, and seeking any other legal remedies available.

Please contact the undersigned at [Phone Number] or [Email] to discuss your plan for remediation or to schedule a site inspection.

Sincerely,

[Signature]

[Name of Loan Officer/Representative]

[Title]

[Lender Name]

CC: [Project Manager/Attorney Name]