

URGENT NOTICE: BALLOON PAYMENT DUE AND NOTICE OF ACCELERATION

Date: [Insert Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

Re: Loan Number: [Insert Loan Number]

Dear [Borrower Name],

This letter serves as formal notice regarding the construction loan for the property located at [Property Address].

Pursuant to the terms of the Promissory Note and Construction Loan Agreement dated [Insert Date], the entire unpaid principal balance, along with all accrued interest and fees, is due in full on [Insert Maturity Date]. This final "Balloon Payment" is a requirement of your loan contract upon the reaching of the maturity date.

Notice of Acceleration:

Due to [Reason for Acceleration: e.g., the upcoming maturity date / default in monthly interest payments], [Lender Name] hereby exercises its option to accelerate the maturity of the debt. The total amount outstanding is now declared immediately due and payable.

Payoff Calculation:

As of [Insert Date], the total amount required to satisfy the loan in full is as follows:

- Principal Balance: \$[Amount]
- Accrued Interest: \$[Amount]
- Late Charges/Fees: \$[Amount]
- **Total Payoff Amount: \$[Total Amount]**

Please note that interest continues to accrue at a daily rate of \$[Amount] until the loan is paid in full.

Payment must be received by [Insert Deadline Date] via wire transfer or certified funds. Please contact our payoff department at [Insert Phone Number] to obtain specific wiring instructions.

Failure to remit the full payment by the specified date may result in [Lender Name] initiating legal action, including but not limited to foreclosure proceedings against the subject property, to recover the debt.

If you have already sent this payment, please disregard this notice.

Sincerely,

[Name of Authorized Representative]

[Title]

[Lender Name]