

SENT VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Date: [Insert Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

RE: NOTICE OF DEFAULT AND ACCELERATION OF LOAN

Loan Number: [Insert Loan Number]

Property Address: [Insert Project/Property Address]

Loan Agreement Date: [Insert Original Loan Date]

Dear [Borrower Name],

This letter serves as formal notice that you are in material default of the terms and conditions of the Construction Loan Agreement and the Promissory Note associated with the above-referenced loan.

The nature of the default is as follows: [Insert specific description of default, e.g., failure to make monthly interest payment due on (Date), failure to complete construction milestones by (Date), or mechanic's lien filed on (Date)].

Pursuant to the terms of the Loan Agreement, the Lender hereby exercises its right to **ACCELERATE** the entire unpaid balance of the loan. Demand is hereby made for immediate payment in full of the following amounts:

- Principal Balance: \$[Amount]
- Accrued Interest: \$[Amount]
- Late Fees/Penalties: \$[Amount]
- Legal/Administrative Costs: \$[Amount]
- **TOTAL AMOUNT DUE: \$[Total Amount]**

Failure to remit the Total Amount Due by [Insert Deadline Date] will result in the Lender pursuing all available legal remedies to protect its interests. These actions may include, but are not limited to:

- Commencement of foreclosure proceedings against the property;
- Ceasing all future construction advances;
- Taking possession of the construction site;
- Pursuing personal guarantees against all named guarantors.

Please contact the undersigned at [Insert Phone Number] or [Insert Email] immediately to arrange for the payoff of this debt.

Sincerely,

[Name of Authorized Signatory]

[Title]

[Lending Institution Name]

CC: [Name of Guarantors, if applicable]