

SENT VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Date: [Insert Date]

TO (BORROWER):

[Borrower Name]

[Borrower Address]

TO (GUARANTOR):

[Guarantor Name]

[Guarantor Address]

RE: NOTICE OF DEFAULT AND DEMAND FOR PAYMENT

Loan Number: [Insert Loan Number]

Property Address: [Insert Property Address]

Original Loan Amount: [Insert Amount]

To [Borrower Name] and [Guarantor Name]:

This letter serves as formal notice that the Borrower is in material default of the Promissory Note and Deed of Trust/Mortgage dated [Insert Date] (collectively, the "Loan Documents").

1. Nature of Default:

The Borrower has failed to make the required payments for the period(s) of: [Insert Months/Dates]. As of [Insert Date], the total amount required to cure this default is \$[Insert Total Arrears], which includes principal, interest, and late fees.

2. Demand to Borrower:

Demand is hereby made upon the Borrower to pay the full amount of the default stated above on or before [Insert Cure Deadline Date]. Failure to cure this default will result in the Lender exercising its rights under the Loan Documents, which may include acceleration of the entire loan balance and the commencement of foreclosure proceedings.

3. Demand to Guarantor:

Pursuant to the Commercial Guaranty Agreement dated [Insert Date], [Guarantor Name] unconditionally guaranteed the full payment and performance of all Borrower obligations. Due to the Borrower's default, the Lender hereby demands that the Guarantor immediately pay the total outstanding amount. This letter constitutes formal demand under the terms of the Guaranty.

4. Reservation of Rights:

Nothing contained in this letter shall be construed as a waiver of any of the Lender's rights or remedies under the Loan Documents or applicable law. All such rights are expressly reserved.

Please remit payment in the form of certified funds to the following address:

[Insert Payment Instructions/Mailing Address]

Sincerely,

[Your Name/Representative Name]

[Title]

[Lender Name]