

URGENT: FORMAL NOTICE OF DEFAULT AND RIGHT TO CURE

Date: [Insert Date]

To:

[Borrower Name]
[Borrower Address]
[City, State, Zip Code]

From:

[Lender Name]
[Lender Address]
[Contact Phone Number]

RE: NOTICE OF DEFAULT REGARDING CROSS-COLLATERALIZED LOANS

Loan Number(s): [Loan 1 Number] / [Loan 2 Number]

Property Address 1: [Address of Property A]

Property Address 2: [Address of Property B]

Dear [Borrower Name],

This letter serves as formal notice that you are in default under the terms of the Promissory Notes and Security Deeds (Mortgages) associated with the above-referenced loan accounts.

Pursuant to the **Cross-Collateralization and Cross-Default provisions** contained within your loan documents, a default on any single obligation constitutes a default on all linked obligations. Consequently, the collateral for both Property 1 and Property 2 now secures the total outstanding indebtedness of both accounts.

NATURE OF DEFAULT:

As of [Date], your accounts are delinquent for the following:

- Past Due Principal and Interest: \$[Amount]
- Late Fees: \$[Amount]
- Escrow Shortage/Other Charges: \$[Amount]
- **TOTAL AMOUNT REQUIRED TO CURE: \$[Total Amount]**

REQUIRED ACTION:

To cure this default, you must pay the total amount listed above in certified funds no later than [Insert Cure Deadline Date, e.g., 30 days from date of letter]. Payments must be delivered to the address listed above.

FAILURE TO CURE:

If you fail to cure this default by the deadline, [Lender Name] intends to exercise its legal rights, which may include:

1. Acceleration of the entire remaining balance of all cross-collateralized loans.
2. Commencement of foreclosure proceedings against both [Property Address 1] and [Property Address 2].
3. Recovery of all legal fees, inspection fees, and costs associated with the collection of this debt.

Please contact our Loan Servicing Department immediately at [Phone Number] if you have questions or if you wish to discuss potential loss mitigation options.

Sincerely,

[Authorized Signature]
[Printed Name and Title]
[Lender Name]