

A demand letter for money owed is a formal, written notice requesting payment of a debt. This letter is often used as a preliminary step to formal legal action, providing the debtor with one last opportunity to pay the outstanding amount. Here are templates for a demand letter for money owed, catering to various scenarios, each followed by an example.

Purpose of a Demand Letter for Money Owed

The primary purpose of a demand letter for money owed is to clearly and formally request the repayment of a debt. It outlines the details of the debt, including the amount owed and the deadline for payment, and it serves as a formal reminder to the debtor of their obligation.

Key Elements of a Demand Letter for Money Owed

- **Detailed Description of the Debt:** Clearly specify the amount owed, the origin of the debt, and any relevant dates.
- **Statement of Previous Attempts to Collect:** Mention any previous efforts made to collect the debt.
- **Demand for Payment:** Firmly state your demand for payment and specify the amount owed.
- **Deadline for Payment:** Set a clear deadline by which the payment should be made.
- **Consequences of Non-Payment:** Indicate the actions that will be taken if the debt is not paid by the deadline, such as legal action.
- **Payment Instructions:** Provide information on how the debtor can make the payment.
- **Contact Information:** Include your contact details for any further communication.

Tips for Writing a Demand Letter for Money Owed

1. **Be Clear and Concise:** Ensure that the letter is straightforward and easy to understand.
2. **Remain Professional:** Maintain a professional tone throughout the letter.
3. **Provide Proof:** Attach copies of relevant agreements, invoices, or previous correspondence.
4. **Send by Certified Mail:** Sending the letter via certified mail ensures you have proof of delivery.
5. **Consult with a Lawyer:** Consider consulting with a lawyer to ensure the letter is legally sound.

Demand Letter for Money Owed Template 1: Unpaid Loan

[Your Name]
[Your Address]
[City, State, Zip Code]
[Date]

[Debtor's Name]
[Debtor's Address]
[City, State, Zip Code]

Dear [Debtor's Name],

I am writing to remind you of the personal loan I extended to you on [Loan Date] in the amount of [Loan Amount]. According to our agreement, you were to make repayment by [Repayment Date]. As of today, I have not received this payment.

This letter serves as a formal demand for the repayment of the

entire loan amount. Please make this payment in full by [Deadline Date]. Failure to meet this deadline will result in legal action to recover the debt.

Payment can be made via [Payment Method]. If there are circumstances preventing you from making this payment, please contact me as soon as possible to discuss.

Sincerely,

[Your Name]

[Your Contact Information]

Example for Template 1

Alice Johnson
1234 Maple Street
Anytown, TX 75001
April 15, 2021

Bob Smith
5678 Oak Drive
Anytown, TX 75002

Dear Mr. Smith,

I am writing to remind you of the personal loan I extended to you on June 1, 2020, in the amount of \$3,000. According to our agreement, you were to make repayment by December 1, 2020. As of today, I have not received this payment.

This letter serves as a formal demand for the repayment of the entire loan amount. Please make this payment in full by May 1, 2021. Failure to meet this deadline will result in legal action to recover the debt.

Payment can be made via bank transfer to account number 123456789 at Anytown Bank. If there are circumstances preventing you from making this payment, please contact me as

soon as possible to discuss.

Sincerely,

Alice Johnson
(555) 123-4567

Demand Letter for Money Owed Template 2: Services Rendered

[Your Name]
[Your Business Name]
[Business Address]
[City, State, Zip Code]
[Date]

[Client's Name or Company's Name]
[Client's Address]
[City, State, Zip Code]

Dear [Client's Name],

I am writing regarding our agreement dated [Agreement Date], under which [Your Business Name] provided [Description of Services] to your company. As stated in our contract and subsequent invoices, payment for these services in the amount of [Amount Owed] was due on [Due Date]. To date, this payment has not been received.

This is a formal demand for the immediate payment of the outstanding amount. Failure to comply by [Deadline Date] will result in further action, including legal proceedings.

Please remit the payment to [Payment Details]. If you have any questions or need to discuss payment arrangements, please contact me directly at [Your Contact Information].

Sincerely,

[Your Name]
[Your Position]

Example for Template 2

Emily White
White Consulting Services
789 Business Parkway
Techville, OH 43001
May 1, 2021

Innovative Solutions Ltd.
1234 Tech Road
Techville, OH 43002

Dear Mr. Green,

I am writing regarding our agreement dated February 15, 2021, under which White Consulting Services provided marketing consultancy to your company. As stated in our contract and subsequent invoices, payment for these services in the amount of \$5,000 was due on March 31, 2021. To date, this payment has not been received.

This is a formal demand for the immediate payment of the outstanding amount. Failure to comply by May 15, 2021, will result in further action, including legal proceedings.

Please remit the payment to account number 987654321 at Techville Bank. If you have any questions or need to discuss payment arrangements, please contact me directly at (555) 678-9012.

Sincerely,

Emily White
Owner, White Consulting Services

Demand Letter for Money Owed Template 3: Breach of Contract

[Your Name]
[Your Company Name]
[Company Address]
[City, State, Zip Code]
[Date]

[Recipient's Name or Company's Name]
[Recipient's Address]
[City, State, Zip Code]

Dear [Recipient's Name],

This letter is to formally demand payment as per our contract dated [Contract Date]. It has come to our attention that your company has not adhered to the payment terms outlined in the contract, specifically regarding [Specify Breach].

As a result, your company owes [Your Company Name] a total amount of [Amount Owed]. We require immediate payment of this amount by [Deadline Date]. Failure to meet this deadline will result in legal action to enforce the contract and seek damages for breach of contract.

Please ensure prompt payment to [Payment Details]. If you wish to discuss this matter further, you can reach us at [Your Contact Information].

Sincerely,

[Your Name]
[Your Position]

Example for Template 3

Mark Johnson
Johnson Supplies Ltd.
1234 Industrial Avenue
Manufacturing City, NJ 07002
June 10, 2021

Tech Dynamics Corp.
5678 Innovation Blvd
Manufacturing City, NJ 07003

Dear Ms. Taylor,

This letter is to formally demand payment as per our contract dated January 1, 2021. It has come to our attention that your company has not adhered to the payment terms outlined in the contract, specifically regarding the late payment for supplies delivered.

As a result, your company owes Johnson Supplies Ltd. a total amount of \$15,000. We require immediate payment of this amount by June 25, 2021. Failure to meet this deadline will result in legal action to enforce the contract and seek damages for breach of contract.

Please ensure prompt payment to account number 1122334455 at NJ Bank. If you wish to discuss this matter further, you can reach us at (555) 908-7654.

Sincerely,

Mark Johnson
CEO, Johnson Supplies Ltd.

Demand Letter for Money Owed Template 4: Unpaid Rent

[Your Name]
[Your Address]

[City, State, Zip Code]
[Date]

[Tenant's Name]
[Address of Rental Property]
[City, State, Zip Code]

Dear [Tenant's Name],

This letter serves as a formal demand for the payment of overdue rent for the property located at [Property Address]. As of [Date], your rent is overdue by [Number of Days/Months Overdue], amounting to a total of [Total Amount Owed].

Please be advised that this is your final notice. Failure to pay the outstanding rent by [Deadline Date] will result in legal action, including potential eviction proceedings.

Immediate payment can be made to [Payment Details]. If you are experiencing financial difficulties, please contact me at [Your Contact Information] to discuss potential payment arrangements.

Sincerely,

[Your Name]

Example for Template 4

Sarah Thompson
789 Residential Rd.
Hometown, TX 75002
July 15, 2021

James Anderson
1234 Elm St.
Hometown, TX 75002

Dear Mr. Anderson,

This letter serves as a formal demand for the payment of overdue rent for the property located at 1234 Elm St. As of July 15, 2021, your rent is overdue by two months, amounting to a total of \$2,400.

Please be advised that this is your final notice. Failure to pay the outstanding rent by August 1, 2021, will result in legal action, including potential eviction proceedings.

Immediate payment can be made to account number 5544332211 at Hometown Bank. If you are experiencing financial difficulties, please contact me at (555) 123-9876 to discuss potential payment arrangements.

Sincerely,

Sarah Thompson

Demand Letter for Money Owed Template 5: Goods or Services Provided

[Your Name]
[Your Business Name]
[Business Address]
[City, State, Zip Code]
[Date]

[Client's Name or Company's Name]
[Client's Address]
[City, State, Zip Code]

Dear [Client's Name],

I am writing to you regarding the unpaid balance for goods/services provided by [Your Business Name]. As per our agreement dated [Agreement Date], payment for [Description of Goods/Services] in the amount of [Amount Owed] was due on [Due Date].

Your failure to make this payment has resulted in an outstanding balance. This letter serves as a final demand for the immediate settlement of the account. If payment is not received by [Deadline Date], we will have no choice but to initiate legal proceedings.

Please make the necessary payment to [Payment Details]. For any queries, you can reach me at [Your Contact Information].

Sincerely,

[Your Name]

[Your Position]

Example for Template 5

David Miller
Miller Hardware Supplies
456 Hardware Lane
Tool Town, MA 02110
August 5, 2021

ConstructIt Ltd.
123 Builder Ave
Tool Town, MA 02111

Dear Mr. Johnson,

I am writing to you regarding the unpaid balance for goods provided by Miller Hardware Supplies. As per our agreement dated March 1, 2021, payment for construction materials in the amount of \$7,500 was due on July 1, 2021.

Your failure to make this payment has resulted in an outstanding balance. This letter serves as a final demand for the immediate settlement of the account. If payment is not received by August 20, 2021, we will have no choice but to initiate legal proceedings.

Please make the necessary payment to account number 9988776655 at MA Bank. For any queries, you can reach me at (555) 456-7890.

Sincerely,

David Miller
Owner, Miller Hardware Supplies

Demand Letter for Money Owed Template 6: Final Notice Before Legal Action

[Your Name]
[Your Company Name]
[Company Address]
[City, State, Zip Code]
[Date]

[Recipient's Name or Company's Name]
[Recipient's Address]
[City, State, Zip Code]

Dear [Recipient's Name],

This letter is to inform you that you have an outstanding payment of [Amount Owed] owed to [Your Company Name]. Despite multiple reminders and attempts to resolve this matter, we have not received the due payment for [Description of Transaction or Service].

This letter serves as a final notice. If the full payment is not received by [Deadline Date], we will initiate legal proceedings to recover the debt, which may include additional costs and interest.

We urge you to make the payment immediately to [Payment Details]. Should you have any questions or wish to discuss this matter, please contact me at [Your Contact Information].

Sincerely,

[Your Name]

[Your Position]

Example for Template 6

Linda Harris
Harris Event Planning
2345 Celebration Ave
Party City, FL 33101
September 10, 2021

Elegant Venues Inc.
6789 Venue St.
Party City, FL 33102

Dear Mr. Wilson,

This letter is to inform you that you have an outstanding payment of \$4,000 owed to Harris Event Planning. Despite multiple reminders and attempts to resolve this matter, we have not received the due payment for the event management services provided for your corporate event.

This letter serves as a final notice. If the full payment is not received by September 25, 2021, we will initiate legal proceedings to recover the debt, which may include additional costs and interest.

We urge you to make the payment immediately to account number 1122445588 at FL Bank. Should you have any questions or wish to discuss this matter, please contact me at (555) 678-9012.

Sincerely,

Linda Harris
Owner, Harris Event Planning