

[Your Name/Company Name]
[Your Address]
[City, State, Zip Code]
[Phone Number]
[Email Address]

[Date]

[Recipient Name]
[Recipient Company Name]
[Recipient Address]
[City, State, Zip Code]

RE: NOTICE OF BREACH OF WARRANTY, CONSTRUCTION DEFECTS, AND DEMAND FOR RELEASE OF MECHANIC'S LIEN

To [Recipient Name],

This letter serves as a formal demand for settlement regarding the construction project located at [Property Address].

1. Breach of Warranty and Construction Defects

The work performed by [Contractor Name] is defective and fails to meet the standards set forth in our contract dated [Date] and the warranties provided therein. Specifically, the following defects have been identified:

[List specific defects, e.g., leaking roof, structural cracks, substandard materials].

These issues constitute a material breach of the express and implied warranties of quality and workmanship. Due to these defects, the value of the project has been diminished, and I have incurred/will incur costs estimated at \$[Amount] to remediate the work.

2. Dispute of Mechanic's Lien

It has come to my attention that a Mechanic's Lien was recorded against the property on [Date] in the amount of \$[Amount]. I dispute the validity of this lien because the underlying work is defective, incomplete, and in breach of contract. A lien cannot be maintained for work that was not performed according to professional standards or contract specifications.

3. Settlement Demand

In the interest of resolving this matter without further litigation, I propose the following settlement terms:

- [Contractor Name] shall immediately record a full Release of Mechanic's Lien with the [County Name] Recorder's Office.
- [Contractor Name] shall pay [Your Name] the sum of \$[Amount] to cover the costs of repairing the identified defects.
- Both parties shall execute a mutual release of all claims arising from the contract.

4. Deadline for Response

Please provide a written response to this proposal by [Date, e.g., 10 business days from today]. Failure to reach a settlement will leave me with no alternative but to pursue all legal remedies available, including a lawsuit for breach of warranty and an action to discharge the lien, where I will also seek recovery of attorney's fees and costs.

Sincerely,

[Your Signature]

[Your Printed Name]