

Date: [Insert Date]

Recipient Name: [Insert Borrower Name]

Property Address: [Insert Property Address]

Loan Number: [Insert Loan Number]

SUBJECT: NOTICE OF DEFAULT AND AVAILABLE REPAYMENT OPTIONS

Dear [Insert Borrower Name],

Our records indicate that your mortgage loan is currently in default due to non-payment. As of [Insert Date], your account is past due in the amount of \$[Insert Total Amount Owed].

We understand that financial difficulties can happen, and we want to help you avoid the foreclosure process. Please review the following options that may be available to you:

- **Reinstatement:** Paying the total past-due amount, including late fees and legal costs, in one lump sum to bring the loan current.
- **Repayment Plan:** Adding a portion of the overdue amount to your regular monthly payments over a set period until the account is current.
- **Loan Modification:** Changing the original terms of your loan-such as the interest rate or loan term-to make monthly payments more affordable.
- **Forbearance:** A temporary reduction or suspension of your mortgage payments for a specific period.
- **Short Sale:** Selling your home for less than the remaining mortgage balance, with the lender's approval.
- **Deed-in-Lieu of Foreclosure:** Voluntarily transferring the ownership of your property to the lender to satisfy the debt.

To determine which option is best for you, we require you to submit a complete Loss Mitigation Application. You can find this application at [Insert Website Link] or request one by calling us.

Important: If you do not take action by [Insert Deadline Date], we may begin the formal foreclosure process. We strongly encourage you to contact our Loss Mitigation Department at [Insert Phone Number] between the hours of [Insert Business Hours].

Sincerely,

[Insert Name/Department]

[Insert Lender Name]

[Insert Contact Information]