

[Date]

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

RE: Notice of Deed in Lieu of Foreclosure Options - Loan Number: [Loan Number]

Dear [Borrower Name],

We are writing to follow up on the status of your mortgage loan. As you are currently in default, we want to ensure you are aware of alternatives to the formal foreclosure process. One such option is a **Deed in Lieu of Foreclosure**.

What is a Deed in Lieu of Foreclosure?

A Deed in Lieu of Foreclosure is a voluntary transfer of the title of your property to the lender. In exchange for this transfer, the lender agrees to cancel the foreclosure proceedings and release you from your mortgage obligation.

Potential Benefits:

- Immediate release from the mortgage debt.
- Avoidance of a formal foreclosure sale on your public record.
- Potential for "Cash for Keys" relocation assistance (subject to approval).
- Less severe impact on your credit score compared to a standard foreclosure.

Eligibility Requirements:

- The property must be clear of secondary liens or judgments.
- The property must be in "broom-clean" condition.
- You must demonstrate a financial hardship that prevents you from making payments.

Next Steps:

If you are interested in pursuing this option, please contact our Loss Mitigation Department at [Phone Number] no later than [Deadline Date]. We will require a completed Loss Mitigation Application, along with updated financial documentation, to determine your eligibility.

Note: We strongly recommend you consult with a tax professional or legal counsel regarding the potential tax implications of debt forgiveness.

Sincerely,

[Lender/Service Name]
[Department Name]
[Contact Information]