

## **FINAL NOTICE OF DEFAULT AND NOTICE OF OPTIONS**

Date: [Insert Date]

To: [Borrower Name]

Address: [Borrower Address]

City, State, Zip: [City, State, Zip]

Account Number: [Insert Account Number]

Property Address: [Insert Property Address]

### **URGENT: ACTION REQUIRED TO AVOID FORECLOSURE**

Dear [Borrower Name],

This letter serves as formal notice that your mortgage loan is in default. As of [Insert Date], your account is past due in the amount of \$[Insert Total Arrears], which includes principal, interest, late fees, and costs.

Failure to cure this default by [Insert Deadline Date] will result in the acceleration of your loan and the commencement of legal proceedings to foreclose upon the property.

### **YOUR OPTIONS TO AVOID FORECLOSURE:**

- **Reinstatement:** Pay the full past-due amount plus any late fees and legal costs in one lump sum.
- **Repayment Plan:** Add a portion of the past-due amount to your regular monthly payments over a set period.
- **Loan Modification:** Change the original terms of your loan (such as interest rate or term length) to make payments more affordable.
- **Forbearance:** Temporarily reduce or suspend your payments for a specific timeframe.
- **Short Sale:** Sell your home for less than the remaining mortgage balance with our approval.
- **Deed-in-Lieu of Foreclosure:** Voluntarily transfer the ownership of your property to the lender to satisfy the debt.

### **HOW TO PROCEED:**

To discuss these options, you must contact our Loss Mitigation Department immediately at [Insert Phone Number]. Our hours of operation are [Insert Hours].

You may also seek assistance from a HUD-approved housing counseling agency by calling 1-800-569-4287 or visiting [www.hud.gov](http://www.hud.gov).

If you are currently in bankruptcy or have received a discharge in bankruptcy, this notice is for informational purposes only and is not an attempt to collect a debt against you personally.

Sincerely,

[Sender Name/Department]  
[Lender/Service Name]  
[Contact Phone Number]