

[Date]

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

RE: Notice of Mortgage Modification Decision

Loan Number: [Loan Number]

Dear [Borrower Name],

Thank you for submitting your application for a mortgage loan modification. After a thorough review of your financial documentation and the details of your request, we are writing to inform you that we are unable to offer you a loan modification at this time.

Reason for Denial: Insufficient Income

The specific reason for this decision is that your current documented monthly income is insufficient to support a modified monthly mortgage payment. Based on our guidelines, the ratio of your debt to your income exceeds the requirements necessary to ensure a sustainable payment plan over the remaining life of the loan.

If you disagree with this decision or believe there has been an error in our calculation of your income, you have the right to appeal this decision. You must submit your appeal in writing within 30 days of the date of this letter.

Alternative options may still be available to you to avoid foreclosure, including:

- Short Sale
- Deed-in-Lieu of Foreclosure
- Refinancing (if eligible through other programs)

If you have any questions or would like to discuss other options, please contact our Loss Mitigation Department at [Phone Number] between the hours of [Operating Hours].

Sincerely,

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