

Date: [Current Date]

Borrower(s): [Borrower Name(s)]

Property Address: [Property Address, City, State, Zip]

FHA Case Number: [FHA Case Number]

Loan Number: [Mortgage Loan Number]

RE: FHA Partial Claim Promissory Note and Subordinate Mortgage

Dear [Borrower Name(s)],

This letter concerns the FHA Partial Claim transition for your mortgage. To complete your loan workout and bring your account current, you are required to execute the enclosed Promissory Note and Subordinate Mortgage (Security Instrument).

Summary of Terms:

- **Principal Amount:** \$[Amount of Partial Claim]
- **Lender:** Secretary of Housing and Urban Development (HUD)
- **Interest Rate:** 0.00%
- **Payment Terms:** No monthly payments are required. The full amount becomes due and payable when you pay off your primary mortgage, sell the property, or transfer title to the property.

Required Actions:

1. Review all documents for accuracy.
2. Sign and date the Promissory Note in the presence of a Notary Public (where required).
3. Sign and date the Subordinate Mortgage/Deed of Trust in the presence of a Notary Public.
4. Return the original signed and notarized documents to our office using the enclosed prepaid envelope by [Deadline Date].

Failure to return the completed documents by the specified date may result in the cancellation of this loss mitigation offer and the resumption of foreclosure proceedings.

If you have any questions, please contact our Loss Mitigation Department at [Phone Number] between the hours of [Operating Hours].

Sincerely,

[Name of Servicer/Lender]

[Department Name]

[Contact Information]