

**[Mortgage Servicer Name]**

[Address]

[City, State, Zip Code]

[Phone Number]

**Date:** [Current Date]

**RE: Approval of Participation in FHA Pre-Foreclosure Sale (PFS) Program**

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

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

**FHA Case Number:** [FHA Case Number]

**Loan Number:** [Loan Number]

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Dear [Borrower Name],

We are pleased to inform you that you have been approved to participate in the Federal Housing Administration (FHA) Pre-Foreclosure Sale (PFS) program. This program allows you to sell your property for an amount less than the total balance owed on your mortgage to avoid foreclosure.

**Marketing Period:**

The marketing period for your property begins on [Start Date] and will expire on [End Date]. You must actively market your property through a licensed real estate agent during this time.

**Minimum Acceptable Net Proceeds:**

FHA guidelines require that the sale must result in a minimum "Net" to the Department of Housing and Urban Development (HUD). Your minimum net requirement is currently **[\$Amount]**. This amount is subject to change based on the date of the closing and the age of the appraisal.

**Borrower Incentive:**

Upon the successful completion of a Pre-Foreclosure Sale, you may be eligible for a cash incentive of up to **[\$Amount]** to assist with relocation expenses, provided you comply with all program requirements and the property is vacated in "broom clean" condition.

**Conditions of Approval:**

- The sale must be an "arm's length" transaction; the buyer cannot be a relative or business associate.
- No secondary liens or judgments may be paid from the sale proceeds without prior written approval.
- You must maintain the property and its exterior appearance until the sale is finalized.

- Foreclosure proceedings may continue but will not be completed as long as you are making progress toward a sale within the required timeframes.

Failure to obtain an executed sales contract within the marketing period may result in the termination of your participation in this program and the resumption of foreclosure actions.

Please have your real estate agent contact us immediately at [Phone Number] to provide updates on the listing status or to submit an offer for review.

Sincerely,

[Name of Representative]

[Title]

[Loss Mitigation Department]