

[Date]

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

**RE: Notice of Loan Modification Ineligibility**

Loan Number: [Loan Number]

Dear [Borrower Name],

Thank you for contacting [Lender Name] regarding a request for a loan modification. We have carefully reviewed your application and the documentation provided.

At this time, we are unable to offer you a loan modification because your current mortgage type is ineligible for the programs we have available. Specifically, our modification programs do not support the following loan type: **[Insert Specific Loan Type, e.g., Interest-Only, Reverse Mortgage, Commercial Loan]**.

Please note that this decision is based on the specific guidelines of the investor who owns your loan and is not a reflection of your creditworthiness or financial hardship.

**Next Steps and Options:**

- **Short Sale:** Selling your property for less than the remaining mortgage balance.
- **Deed-in-Lieu of Foreclosure:** Voluntarily transferring the ownership of your property to the lender.
- **Refinance:** You may explore refinancing options with another institution if you meet their eligibility requirements.

If you believe this decision was made in error, or if you have questions regarding this notice, please contact our Loss Mitigation Department at [Phone Number] between the hours of [Hours of Operation].

Sincerely,

[Name of Representative]  
[Department Name]  
[Lender Name]