

[Date]

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

RE: Notice of Loan Modification Denial - Loan Number: [Loan Number]

Dear [Borrower Name],

We have completed the review of your request for a loan modification. After carefully evaluating your financial information and the documentation provided, we regret to inform you that we are unable to offer you a loan modification at this time.

Reason for Denial: Insufficient Income

The primary reason for this decision is that your current monthly gross income is insufficient to support a modified monthly payment that meets our investor's guidelines. Based on our calculations, your debt-to-income ratio would remain above the threshold required to ensure a sustainable payment plan.

Your Right to Appeal

If you believe there has been an error in our evaluation or if you have additional income documentation that was not previously submitted, you have the right to appeal this decision. You must submit your written appeal within [Number] days from the date of this letter.

Other Options

While we cannot modify your loan based on your current income, other foreclosure prevention options may be available, such as:

- Short Sale
- Deed-in-Lieu of Foreclosure
- Forbearance (if temporary hardship exists)

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

Sincerely,

[Name/Department]
[Lender/Service Name]