

[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 our review of your application for a mortgage loan modification. At this time, we are unable to offer you a loan modification based on the following reason:

Lack of Verifiable Financial Hardship

To qualify for a loan modification, we must determine that you are experiencing a financial hardship that prevents you from making your scheduled monthly payments. Based on the documentation provided, including your income statements, bank records, and expense reports, we have determined that your current financial situation does not meet the necessary criteria for a hardship-based modification. Specifically, your verifiable monthly income and liquid assets appear sufficient to maintain your current contractual mortgage obligations.

Next Steps and Right to Appeal

If you believe this decision was made in error or if you have additional documentation that demonstrates a change in your financial circumstances, you have the right to appeal this decision. You must submit your appeal in writing within [Number] days of the date of this letter.

Please note that this decision does not prevent you from applying for other loss mitigation options that do not require proof of hardship, nor does it prevent you from reapplying in the future should your financial situation change significantly.

If you have any 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/Servicer Name]