

[Mortgage Servicer Name]  
[Address]  
[City, State, Zip Code]  
[Phone Number]

[Date]

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

**RE: Notice of Eligibility for Deed in Lieu of Foreclosure**

Loan Number: [Insert Loan Number]

Dear [Borrower Name(s)],

This letter is to inform you that based on a review of your financial situation and the documentation provided, you have been approved as eligible to pursue a Deed in Lieu of Foreclosure for the property located at [Property Address].

A Deed in Lieu of Foreclosure allows you to voluntarily transfer the ownership of your property to the lender to satisfy your mortgage debt and avoid the formal foreclosure process. This option is subject to the following terms and conditions:

- **Clear Title:** The property must be free of any secondary liens, judgments, or other encumbrances that cannot be cleared prior to closing.
- **Property Condition:** The property must be left in "broom clean" condition, free of personal belongings and debris.
- **Occupancy:** The property must be vacated by all occupants on or before [Insert Date].
- **Documentation:** You must execute and return all legal transfer documents provided by our office no later than [Insert Date].

**Next Steps:**

1. Sign and return the enclosed Acceptance Agreement by [Insert Date].
2. Contact [Name/Department] at [Phone Number] to schedule a final property inspection.
3. Coordinate the delivery of all keys and garage door openers.

Upon the successful completion of the Deed in Lieu process and the recording of the deed, the remaining balance of your mortgage debt will be [waived / handled as follows: insert specific deficiency language]. Please consult with a tax professional regarding any potential tax implications of this debt cancellation.

If you have any questions or are unable to meet the deadlines listed above, please contact our Loss Mitigation Department immediately at [Phone Number].

Sincerely,

[Name/Signature]

[Title]

[Company Name]