

Instruction: This is a model letter. Adapt to fit your facts and circumstances.

Date

Name
Address Line 1
Address Line 2
City, State Zip Code

Re: Estate of Name

Dear Name:

As you may know, the house at Street Address Name is in foreclosure. The foreclosure sale has been set for Date. Currently, it would take approximately \$ to reinstate the loan. The payoff is approximately \$.

If the first mortgage is foreclosed, this will essentially extinguish the \$ second mortgage to the estate. However, I do not feel that the estate is in a position to pay the amount necessary to reinstate the loan and make monthly payments, with the hope of selling the home for a profit at some later date. Moreover, I do not know if we would be able to sell the house for a sum in excess of \$. This is the amount that would be needed to pay off the first mortgage and the \$ second mortgage to the estate. Obviously, if we can sell the house, anything in excess of \$ would be money for the estate.

None of the individuals that I have spoken with regarding the house have been willing to pay the amount necessary to reinstate the loan and assume the first and second mortgage. Nor has anyone been willing to come forward with a lump sum to pay off the two loans. Moreover, since we do not own the house, we are not in a position to list it with a realtor to try to sell it prior to the foreclosure date.

While I do not want to sound as I am giving up, I do not believe that it is very likely that the property can be disposed of in such a way as to collect the second mortgage. Therefore, I think the prospects of the estate obtaining any further funds is unlikely. Nevertheless, I would like for you to give this matter some thought and contact me at your convenience so that we can discuss any possible ideas you might have for marketing the property or actions that can result in money for the estate.

I look forward to hearing from you.

Sincerely,

Name

BY: Name

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