

Sample Financial Hardship Letter

Date

Your Name
Your Address
Your City, State, and Zip

Loan #

To (Lender/Service):

I am writing this letter to explain the circumstances that caused us to fall behind on our mortgage payments. We recently contacted *(name of foreclosure counselor and agency)* to help us prevent foreclosure.

The main reason that caused us to be late is *(explain reason for hardship/reason for falling behind in a few short sentences)*. Our situation is *(temporary, short term, or long term)*.

We have tried to resolve the hardship by *(list what you have done to try and resolve the hardship. For example, reduced your expenses, picked up a second job, etc.)*

We need your help because *(explain why you need help from the lender/service to avoid default.)* We have explored these options to address the delinquency *(list the options you have explored to address the delinquency and why they haven't worked. For example, refinancing is not possible due to poor credit, there isn't enough equity in the house so selling is not an option [and explain why not].)*

We are requesting *(specify what solution you are requesting from the service. Is it a lower payment, lower interest rate, pause in payments, deferral of missed payments to the end of the loan?)*

This will impact our financial situation *(state how the desired solution will impact your financial situation if approved. What is your long-term plan with the house if foreclosure can be avoided?)*

Please consider a workout agreement to help us bring our mortgage current. We appreciate your willingness to work with us to prevent foreclosure on our home.

Please contact us at *(phone number)* when you receive this letter so we can talk about our options.

Sincerely,

Your Signature
Phone number