

# Hardship Letter

-Sample-

Date:

Lender's Name:

Lender's Address:

Re: Your Loan Number

Dear Loss Mitigation Manager:

My name is/Our names are \_\_\_\_\_ and I've/we've been paying the mortgage on our home at [Address] for \_\_\_\_\_ years now. I'm/We're writing to you to explain why I/we have unfortunately fallen behind on our monthly mortgage payments and are in need of your help.

(Explain your hardship. Include dates and specific incidents that caused you to fall behind and if the hardship has been overcome and if so, explain how.)

*Example:* "My income has been reduced (or lost) due to unemployment/underemployment/reduced job hours/reduced pay/or a decline in self-employment business earnings." Or, "my household financial circumstances have changed: there has been a death in the family/serious or chronic illness/permanent or short term disability/increases in family responsibility." (provide details)

*Example:* "My/Our expenses have increased. I/We have sat down to go over my/our financial situation. *Sample explanations include:* "Monthly mortgage payment has increased or will increase, high medical and health-care costs, unexpectedly high utility bills, increase in property taxes, or my cash reserves are insufficient to maintain the payment on my mortgage loan and cover basic living expenses at the same time." (provide details)

I/We have decided to make the following sacrifices in order to ensure that we can pay our mortgage on time. I have met with a housing counselor and have saved \$3,000 to apply toward late payments. (Also explain what steps you have taken to correct your financial position, such as cutting back on spending, cancelling services or activities, and meeting with credit counseling services.)

My family and I are truly grateful for the opportunity that you've given us to own our home and have every intention of keeping it for a long time and making our mortgage payments when they are due.

Thank you again for your time. We truly hope that you will consider working with us. We are anxious to get this settled so that we can move on.

Sincerely,

(Ask everyone in your family to sign the letter).

Address, City, State, Zip Code

Include your phone number and alternate phone numbers.

From the *Washington Foreclosure Resource Guide*, October 2012