

HARDSHIP LETTER GUIDELINE AND EXAMPLE

Name: (Your Name)

Address: (Your Address)

Mortgage Co: (Mort. Company) Loan No: (your Loan Number)

I/We, (Your Name), are requesting that you review my financial situation to see if I/We qualify for any workout option.

I/We are having problems making my monthly payments because of financial difficulties created by (circle what applies):

Unemployment
Reduced Income
Divorce
Separation
Medical Bills
Too Much Debt
Death of my Spouse
Death of a family member
Payment Increase
Business Failure
Job Relocation
Illness
Damage to Property
Military Service
Incarceration
Other (Please Specify)

This difficulty or situation happened on or about this date ??????.

I/We believe that my/our situation is (circle one) Temporary / Permanent.

This is a brief account of the situation as follows: (explain your situation... tell them you feel you can now afford your payments)

I/We, (your name), state the information provided above to be true and correct to the best of my/our knowledge.

Borrower's Signature

Date

Co-Borrower's Signature

Date

Your hardship letter helps the lender or servicer evaluate your situation and find the appropriate solution based on your intent, income, loan and circumstances.

Your letter should:

- Include all borrowers' names, loan number, and property address up front and center so the servicer/lender can locate your loan easily.
- State your intent: do you want to keep your home or not?
- Explain clearly the reason you cannot meet your monthly mortgage obligation.

For example:

"In June of 2007, I lost my job. Over the months of July, August and September I struggled to make my monthly payments, but still succeeded. When the interest rate increased on my adjustable loan, in spite of budgeting and cutting down on any unnecessary expenses, I was no longer able to make the payment..."

- Also, state whether your hardship is temporary or permanent. For example, if you lost your job and have now regained employment, it is a temporary hardship. Can you resume paying the same amount you paid prior to the hardship?
- State clearly how, when and where you want to be reached.
- Be clear and concise — describe your situation, but don't make it too long.

Hardship letters present you and your circumstances to the lender or servicer. Make sure to provide a clear and understandable explanation.
