**Mortgage Letter of Explanation**

Date

Name

Address

Lender Name

Loan Number

To Whom it may Concern,

I am writing to explain the unfortunate set of circumstances that has caused me to become delinquent on my mortgage payments. My goal is to keep my home and I truly hope you would consider working with me.

My hardship began in 20XX when I became unemployed. This loss in income, combined with a steady increase in expenses, has caused our budget to be stretched thin. Over the recent years we've tried everything to make ends meet including borrowing from my 401K. My husband works overtime whenever possible and now we have even depleted our savings to try and stay current with our monthly financial obligations. It has become clear to us that we need a long-term solution to avoid going into default.

We feel that a loan modification would help us. Our income is steady but it is just not enough, and we would really appreciate if you can work with us to lower our principal and interest so we can keep our home.

Name

Signature

Date