

Date:

Lender Name  
Address  
Fax number

RE: Hardship Letter - Short Sale for (address)  
Loan #:

To whom it may concern:

I purchased my home at \_\_\_\_\_ in \_\_\_\_\_. At that time I was employed by \_\_\_\_\_ and business was very good. My salary and the possibility of a promotion and raise made me sure that I could easily support my mortgage. Unfortunately, a downturn in the market caused my company to reduce its workforce and I was laid off.

After searching for a comparable job, I finally got a temporary position as a \_\_\_\_\_. I am continuing to seek other work. I struggled for several months to make my mortgage payment, when I was also hit with some medical payments that I did not expect. The COBRA payment was more than twice what I was paying when I was employed. I knew I would have to sell my home to protect my credit rating and hoped to have enough cash left over for moving expenses and some savings. I put my home up for sale on \_\_\_\_\_, but there were several issues with the house that I did not have enough money to fix, such as the broken fence in the back yard and some severe leaks in the roof, which indicated a new one was needed. Over the next \_\_\_\_\_ months, I lowered the price \_\_\_\_\_ times but still had no buyers. I am now working with a real estate agent and I believe he/she will be able to help me sell quickly.

My financial situation cannot sustain a home mortgage of nearly \$\_\_\_\_\_ per month. I want to sell the home, avoid foreclosure and salvage my credit. I know that a foreclosure on my record will affect me for years to come. I would ask that you please assist me in avoiding a foreclosure.

Please accept this offer as payment in full. My attorney has advised me to file bankruptcy, but I prefer to avoid further destruction of my credit. I want to do what is right and settle my mortgage account with (name of lender).

I deeply appreciate your help and understanding in this matter. If you have any questions, or need anything further from me, please contact my agent or me personally.

Sincerely,

**Comment [Y1]:** Here is where you explain WHY you can't make your payments. Some other reasons include

- Death
- Divorce
- Illness
- Military relocation
- Job Transfer

**Comment [Y2]:** Here is where you explain in detail the WHAT that lead to this situation.

**Comment [Y3]:** Here is where you explain the How you tried to resolve the situation on your own.

**Comment [Y4]:** This is where you explain to the bank that this is not a temporary problem and what the future hold. Example is serious illness, divorce, or relocation. If the bank believe you can get back on your feet and change your situation they will recommend a loan modification instead.