

Sample Hardship Letters

To: (mortgage company)

From: (borrower name)

Address:

Loan #:

To Whom It May Concern:

As owners of a small family run business, we are feeling the effects of the current economic situation. We operate a small fleet of trucks and with rising fuel costs, we have been hit very hard. At this time we are only able to pay our employees for their hard work and not able to receive paychecks ourselves.

As homeowners, we have come to realize the current market conditions in our area as well. When we purchased our home a couple of years ago, we were not made aware of the "creative financing" our lender was using until we sat down at settlement. When we began to question the terms of the loan, he quickly told us that we could just refinance it in a couple of months and would only have to pay the adjusted payments for a short time. We waited 2 months before inquiring about the refinance option. We were told that we didn't qualify for traditional financing because of our short time as business owners and were told that we had to wait for 2 years to refinance. We scrimped and scraped to get by for those 2 years hoping our efforts would not be in vain. Now, after 2 years, the value of our home has dropped so drastically that refinance is impossible. At this time we cannot maintain our payments as well as provide for our children and meet our other obligations. We are requesting a short sale.

Thank you for your consideration

(signature)

(print name & date)

To: (mortgage company)

From: (borrower name)

Address:

Loan #:

To whom it may concern:

I purchased my home in May of 2007. At the time I was employed with a very promising career in the booming construction industry. I experienced a great deal of success as a new construction insulation salesman until August of 2007 when the market took a drastic turn for the worse. I was laid off the second week of October 2007.

For the next month I diligently looked for work. Being an experienced diesel mechanic I figured I could find work. I was wrong, due to the strong influence of new construction in the area and the quick collapse of that very market I was unable to find work. I began looking else where and found a job in another area. I purchased a

camp trailer and moved to begin working while my wife stayed in our home. She lived in the house and I lived in my trailer for about six months when she decided that she had lived alone long enough. She took a job with in my area and moved into the camp trailer with me. The added expenses of living in two places proved to be very taxing on our income and we quickly maxed out all of our credit cards not to mention the added expense of our modest camp trailer that we lived in. After just nine months working for my new company they too downsized and I was left without a job. I found temporary work making six dollars an hour less than before. After this change I was making much less than when I bought the home. With increasing fuel prices and cost of living it was becoming extremely difficult to make ends meat. We have made very good effort to stay current on our bills but the money just won't stretch. In October my wife and I tried to return to our home but couldn't find work in the area. We strongly debated what action to take knowing that there was no way we would be able to return to the home that we so greatly love. We have had the home for sale for over a year and have had no luck. We decided to discuss a short sale with our real estate agent and came to the conclusion that we would give it a try, knowing that we would definitely lose the house to foreclosure if we couldn't get it sold. We relocated in November 2008 so that my wife could go back to college. It was easy for me to find work in the new area but I am only making one dollar an hour more than before. With winter coming on we knew we couldn't spend another cold season in the camp trailer so we rented a home. Now we have no way of paying our mortgage in full and know that a foreclosure is eminent.

We appreciate your reviewing of this letter and hope that we can find a solution to this undesirable situation together. Your understanding of this complex problem would be beneficial for all parties involved.

(signature)

(print name & date)

To: (mortgage company)

From: (borrower name)

Address:

Loan #:

To Whom It May Concern:

I have recently experienced a dramatic change of financial circumstances that have made it impossible to continue to pay my mortgage payments on the property.

I am a commissioned agent by profession. With the tough economy, my income is now a small fraction of what it was when I purchased the property. When I bought the home my income was over \$20,000 per month. At the current time, I have only made \$7700 in commissions in the past 4 months. My current monthly household expenses are over \$11,000 and my household income is only \$2900 per month. I have over \$1,000,000 in current debts.

I have had the home listed with for the past 90+ days. We have taken a series of price reductions from \$235,000 down to \$199,900 to try to get it sold with no luck. We are now attempting a short sale to get the property sold before prices drop even more in the area.

I appreciate your willingness to work with me, as I am unable to meet my current financial obligations.

Thank you,

(signature)

(print name & date)

To: (mortgage company)

From: (borrower name)

Address:

Loan #:

To Whom It May Concern:

Due to the dying economy and loss of work in the construction field in this area over the last 2 years, I have been forced to close my business as a sub-contractor. I am also going through a divorce and am having to pay bills that are far beyond my capability at this time. I am currently making enough monthly to pay my utilities and help provide for my children but that is all. I had enough in savings to make my mortgage payments for a while but those funds are now exhausted. I have no other options now. I am requesting a short sale with your company at this time.

Thank you

(signature)

(print name & date)