

HARDSHIP LETTER SAMPLE – Borrower Wants to Keep Home

CRITICAL: Letter should be **ONE (1)** page only. **Sign and date your letter!**

- Freddie Mac loan
- Loss of Income

Loan # 123456789 Countrywide/Bank of America (Freddie Mac loan)

Name(s) on Loan: Jane L. Doe

<u>Property Address:</u>	<u>Mailing Address:</u>	<u>Contact Numbers:</u>
1234 Any Street City, State Zip	1234 Any Street City, State Zip	(770) 555-1212 (h) (770) 555-1212 (c)

September 1, 2009

To Whom It May Concern:

I am writing to state specifically my sincere desire to work with Countrywide / Bank of America to arrive at a workable solution regarding my mortgage balance of \$165,000 so that I do not foreclose on October 6, 2009. It is my primary objective and my goal to stay current with my loan and to remain in my home.

SHOW HOUSEHOLD INCOME/EMPLOYMENT WHEN LAST MORTGAGE WAS GIVEN (optional but helpful):

When I refinanced the house in October, 2004, I showed a total net monthly income of \$3,600 from employment with ABC Company. The monthly mortgage payment was \$1,200 including taxes and insurance.

EXPLANATION OF HARDSHIP:

In June, 2009, my employer reduced my income permanently which has made it hard for me to cover monthly expenses, including my mortgage payments. I get paid weekly. My gross monthly income is \$2,369, my net monthly income is \$1,991, and my monthly expenses, including the mortgage, are \$2,621.

WHAT IS BEING DONE TO RESOLVE:

I have a Freddie Mac loan and would like to be considered for the Making Home Affordable program. My mortgage payment, including principal, interest, taxes, insurance, and homeowners association dues (amount \$1,492) is 63% of my Gross Income (\$1,492/\$2,369). My monthly expenses are 11% (\$2,621/\$2,369) over my gross income.

CURRENT MARKET VALUE OF PROPERTY (optional but helpful):

I also wanted you to know that I asked a realtor to give a comparable market analysis to determine our home's current value and I have learned that it is worth \$140,000 versus our loan amount of \$165,000.

REQUEST TO LENDER:

My family and I are truly grateful for the opportunity that you've given us to own our own home and have every intention of keeping it for a long time, as well as making the mortgage payments for it. Would you modify my loan, lowering the interest rate to 2%, and extending the period to 40 years so that my payments will be more affordable?

I, Jane Doe, state the information provided above to be true and correct to the best of my knowledge.

Sincerely and respectfully,

Jane L. Doe (Signature)

Jane L. Doe (Printed)

Date

SIGN, DATE, and PRINT

If you have 2 mortgage companies, send letter and documentation meeting loan guidelines to both companies.

First 2 paragraphs: Set up situation prior to hardship. State mortgage balance with fees and foreclosure date if you have one.

Next, summarize briefly what created hardship and state the date(s) payments were missed or stopped. Examples of reasons: Job loss or salary reduction, death in family, illness, medical bills, military reason, damage to property, theft, divorce or separation.

*Resolution:
The Lender is really interested in if your situation is temporary or permanent.
Summarize briefly.*

*Request to the Lender:
Loan modification.
See modification format on website.*