

Sample Hardship Letter 2

Date: June 23, 2009

Lender: Bank of America

Loan Number: 123-456789

Property Address: 123 Main Street, Fond du Lac, WI.

As part of this process I am required to write a hardship letter. This is very hard for me to do as it makes me face the areas where I have made mistakes.

When I was married we had great credit history, and enough income to live comfortably. In 2005, my divorce was final. I moved with my 2 children from a 4 bedroom house to a 2 bedroom apartment. In 2006 a friend of mine purchased a property at a sheriff's auction. Together, my friend and I worked together to bring the house back to a livable condition. I qualified for assistance and was approved for a home loan at a lower percentage rate. I then bought the house from my friend. I was thrilled to be able to give my kids back a home that was ours.

In an effort to live with the kids in the style that they were used to, I spent too much money on credit cards. I felt the need to spend the same amount of money on them that their dad was spending.

Originally my mortgage was \$750 a month. Then my USDA assistance was denied and it went up to \$820. It was then determined that of a cushion in the escrow account was needed so it went up to \$1000. I used the credit cards to make up for what cash I did not have. I found myself in a vicious cycle of high interest rates, over the limit fees, and late fees.

It was time to take back control and make changes. I have negotiated with my credit cards, closed accounts, and am working to pay the rest off. At the same time our dentist informed us that my daughter needed braces that cost \$5500. My son also was taken to the emergency room for severe abdominal pain. That left me with \$578 in hospital bills. I work 40 hours a week minimum at an insurance agency. I pick up overtime when it is offered. I routinely try to pick up 12-15 hours of OT per paycheck. Anything over that bumps me into a higher tax category and I end up with less money and more tired.

Since my divorce I have been diagnosed with an illness that is basically inflammatory arthritis. I would not physically be able to work a 2nd job. My 16 year old son, paid for his own vehicle, pays for his own insurance and pays his for his cell phone. I hate to admit that I need help as I am a very independent person. However, I would hate losing my house more, because I do not want to once again fail my kids. I feel that is exactly where I am headed if I am not able to get a loan modification.

Please work with me to allow me to keep my home.

Sincerely,

Shirley Peterson

A handwritten signature in black ink that reads "Shirley Peterson". The signature is written in a cursive, flowing style with a long, sweeping underline that extends to the right.

Harship Letter 3

Date: June 23, 2009

Lender: CitiMortgage

Loan Number: 123-456789

Property Address: 123 Main Street, Fond du Lac, WI.

Currently we are 3 months behind on our mortgage payments, which all began in February 2009 when my husband was unexpectedly laid off from his job as a concrete truck driver due to poor economic state and his back injury. We were not prepared for this lay off and I was unable to work full time because I was finishing my last year of college, where I had to commit about 40 hours a week to school plus we have 2 children. We had no money saved up for the unexpected drop in income. We have stayed in contact with CitiMortgage to keep them updated on our situation. We have tried twice to apply for hardship assistance through CitiMortgage and have not received a reply each time. We have made efforts to pay what we can when we can. Finally we learned about Homestead Solutions and their counselors have been helping us to get our finances in order and develop a budget.

Our situation has improved now since my husband has returned back to work more than fulltime and I have graduated from college with an associate degree in surgical technology and will soon start my new job. We are now able to pay our mortgage but are very behind and we need help getting our mortgage caught up in an affordable manner and make our mortgage maintainable. We are looking forward to getting back on track with our bills now that our financial future is more stable and reliable.

Thank you for any assistance you can provide in our effort to keep our home.

Sandy and David Burns




Hardship Letter 4

Date: June 23, 2009

Lender: Bank of America

Loan Number: 123-456789

Property Address: 123 Main Street, Fond du Lac, WI.

I had lost my job, had some medical problem and my husband now has also lost his job. My ex-husband keeps taking me to court and that was eating up my money. I am in school to help me get a better job career and I am also working nights and weekends. My husband found a part time job but because our future is uncertain, we have decided to sell the house.

Our home was appraised for \$100,000 three years ago, but the real estate agents have told us that our home will only sell for \$75,000. We currently owe over \$93,000. We have \$500 that we can contribute towards closing costs, but if we did find someone to buy the home, it would not be enough to pay off the balance.

Please consider a short sale so we can be relieved of this debt that we cannot afford.

Thank you!

Staci Anderson

A handwritten signature in black ink that reads "Staci Anderson". The signature is written in a cursive style with a large, looping initial "S".

Brian Anderson

A handwritten signature in black ink that reads "Brian Anderson". The signature is written in a cursive style with a large, looping initial "B".

Sample Hardship Letter 1

Date: June 23, 2009

Lender: Bank of America

Loan Number: 123-456789

Property Address: 123 Main Street, Fond du Lac, WI.

To whom it may concern,

This letter is to explain our family's hardship and the reason why we have fallen behind on our mortgage payments. Please understand that keeping our home is our number one priority.

Due to fewer orders, my employer has reduced everyone's hours from 42.5 to 37.5 hours. Also, I was working 5 hours on Saturdays to help make ends meet but that opportunity has been reduced to only one Saturday each month.

In June of 2008, our city experienced massive flooding. The area was declared a Federal Disaster Area, but the FEMA money that was provided was not nearly enough to cover the cleanup of the basement and the repair of the plumbing and electrical problems that the flood caused. We also had to replace the furnace and the air conditioner.

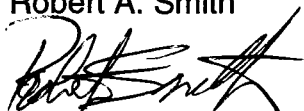
Twice last year my husband was on disability from work. The first time was for shoulder surgery for 8 weeks in June and July of 2008 and again for follow up surgery in October and November for 7 weeks. I have attached the medical records showing these two surgeries and the disability insurance letters. He did receive disability benefits but only a portion of what he would have made.

I underwent 2 major surgeries in the last 4 years. This resulted in loss of pay so our emergency fund savings was used to pay the bills while I was off work but we still had to take a loan through our local credit union for \$5,000k to cover the deductible and catch up with delinquent bills. My husband takes numerous medications for his shoulder so he can work.

We have each spoken with our employers and have both been assured that our employment is secure. We believe that business will be picking up again within the next 9 months and our income will be returned to previous levels. Due to tight budgeting, we have a handle on everything now and just need a chance to get caught up on our mortgage.

Thanks you for taking the time to review our case and I sincerely hope that we can work it out where we can return to good standing with your company.

Robert A. Smith



Marry K. Smith

