



Short Sale Hardship Letter Guidelines

Please handwrite your hardship letter and be sure to include the following:

1. **Hardships:** Candidly describe your hardship, current and past. For instance -unemployed, car accident, medical problem, divorce or other family problem. Be specific; go into a little detail about each hardship. The following are the most important messages to get across to the Lender:
 - a. Why you will not be able to be current again on your loan.
 - b. You do not have enough income to make these payments.
 - c. You are leaving the property.
2. **Your Assets** -Explain that you have no assets with which to continue paying.
3. **Explain any lack of documentation** -If you do not have pay stubs, bank statements or tax returns, you will need to explain the reason in more detail. For example:
 - a. I've been unemployed for 6 months and have not been able to find work.
 - b. I do not currently have a bank account.
 - c. If you don't have tax returns, the bank will ask for Extension-Fillings. If you don't have Extension-Fillings either, explain why in this letter.
 - i. I haven't worked in over 2 years and so I haven't filed taxes or extensions.
 - ii. I haven't filed my tax returns for the past 2 years and I have not filed extensions either.
4. **Bankruptcy** -Mention that you don't want to have to file bankruptcy.

Sample Hardship Letter

To Whom It May Concern: I am unable to make my payments on my house, and I am now facing foreclosure. My inability to keep up with the monthly payments is the result of *(loss of job, loss of income, illness, accident, divorce, death or disability of a wage earner -describe in detail what your hardship is)*. I have used all of my savings and have no other resources to fall back on.

Due to my current financial difficulties I do not expect that my situation will improve in the near future. I am not in a position to continue making my mortgage payments but I do not want to have to file bankruptcy. This was not at all what I intended but I have come to the conclusion that a short sale is my only option.

Your help and consideration in this matter are very much appreciated.

{Signature}
{Printed Name}

{Date}