

Loan Default Explanation Letter

Date: [Insert Date]

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Creditor's Name]

[Creditor's Address]

[City, State, Zip Code]

Dear [Creditor's Name],

I am writing to formally explain my recent default on my credit card debts with your institution. I understand the importance of maintaining my financial obligations and wish to provide insight into the circumstances that led to my difficulties.

Due to unforeseen circumstances, including [briefly explain circumstances such as job loss, medical emergencies, etc.], I encountered significant financial strain. Despite my efforts to make timely payments, I was unable to meet my obligations for the past few months.

I take full responsibility for my situation and am committed to working towards a resolution. I have already taken steps to improve my financial situation by [mention any actions taken, such as seeking employment, financial counseling, etc.].

I kindly request your understanding and support during this challenging time. I would appreciate the opportunity to discuss a potential repayment plan or any options available to assist in settling this debt.

Thank you for your consideration. I look forward to your response.

Sincerely,

[Your Name]