

Loan Default Explanation Letter

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Date]

[Lender's Name]

[Lender's Address]

[City, State, Zip Code]

Dear [Lender's Name],

I am writing to formally explain the circumstances that have led to my loan default. Due to unforeseen medical expenses that arose over the past few months, I have encountered significant financial hardship.

Specifically, I was hospitalized for [brief explanation of illness or condition], resulting in medical bills that exceeded [amount]. Despite my efforts to manage my finances, these unexpected costs have severely impacted my ability to meet my loan obligations.

I understand the importance of honoring my commitments and am actively working towards a solution, including [mention any steps you are taking, such as negotiating payment plans or seeking financial assistance].

I kindly request your understanding and support during this challenging time. I hope to discuss possible alternatives that could help me bring my account current.

Thank you for your consideration.

Sincerely,

[Your Name]