

# Loan Default Explanation Letter

Date: [Insert Date]

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Lender's Name]

[Lender's Address]

[City, State, Zip Code]

Dear [Lender's Name],

I am writing to explain my current financial situation regarding my unsecured loan with your institution, account number [Insert Account Number]. Unfortunately, I have fallen into default due to [briefly explain reason, e.g., job loss, medical expenses, etc.].

This unexpected circumstance has made it difficult for me to meet my obligations; however, I am committed to resolving this matter. I am actively seeking employment opportunities and exploring potential resources to improve my financial stability.

I kindly request your understanding and consideration regarding this situation. If possible, I would appreciate discussing options such as a payment plan, deferment, or any assistance that can be extended during this challenging time.

Thank you for your attention to this matter. I hope to work together to reach a resolution. Please feel free to contact me at your earliest convenience.

Sincerely,

[Your Name]