

Loan Default Explanation

Date: [Insert Date]

To [Lender's Name],

I hope this letter finds you well. I am writing to explain my current situation regarding the loan I have with your institution, which has regrettably defaulted.

Over the past few months, my family has been facing a significant crisis. [Briefly explain the family crisis, e.g., illness, job loss, etc.]. This unexpected situation has placed a substantial financial burden on me, making it challenging to meet my loan obligations.

I understand the seriousness of this matter and am committed to finding a resolution. I kindly request your understanding and support during this difficult time. If possible, I would appreciate the opportunity to discuss alternative arrangements or a repayment plan that could alleviate my immediate financial pressure.

Thank you for your attention to this matter. I hope to hear from you soon.

Sincerely,

[Your Name]

[Your Address]

[Your Phone Number]

[Your Email Address]