

Insert your personal or company info here….

Tips on Writing a Hardship Letter

The hardship letter is a vital piece to getting your short sale approved. A true and convincing statement from the Seller can go a long way to determining whether the bank will agree that the Seller is financially in trouble and in need of their help. The hardship letter must contain the reason why the homeowner is financially incapable of paying their current mortgage payment. Reasons include:

1. Loss of employment or reduction in income
2. Death in family or major unexpected medical expenses
3. Relocation or Job Transfer
4. Increased bills or expenses
5. Major repairs needed to property without resources to pay for them
6. Divorce
7. Etc.

In addition, here are some necessary items that the hardship letter needs to include:

1. The hardship letter should be signed and dated
2. Every person listed as a borrower on the loan needs to sign
3. Reference the property address and loan number in the header
4. It should be short and to the point, 5-10 sentences is enough
5. State your hardship, and the circumstances that led you to no longer being able to afford the property
6. Make a strong case and relay the desperation of your case
7. End the letter with something like "a short sale seems to be our only solution to avoid foreclosure" or "please consider a short sale on our property, we can find no other answer to our circumstances"
8. Again, don't forget to sign and date it!

Here are items that should **NOT** be included in the hardship letter:

1. Do not blame your lender for your circumstances
2. Do not write to much, they don't have the time to read it
3. Do not state that if the payments were to be lessened then you could afford the home
4. Do not flat-out lie in your letter, this will only come back to bite you in the end

Your hardship letter should be one of the first few pages in your short sale packet that is turned into the bank so make sure it truly conveys the hardship that you and your family are going through. Best of luck.

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