Sample Loan Modification Letter (If You Haven’t Missed a Payment Yet)

You’ll send this letter to an original creditor

Use a loan modification letter if circumstances beyond your control - like medical problems, job loss, natural disaster, or divorce - have left you unable to make loan payments.

This is very similar to a goodwill adjustment letter. Loan Modification is a term most often used for long-term loans like a mortgage or car loan.

Use this letter if you have not yet missed a payment but you know that you’ll be unable to continue making payments. It’s always best to communicate with your lender before you miss a payment!

You want this letter to be an honest, genuine appeal for help. Explain your situation, take responsibility for it, and explain what you are doing to resolve it. Blaming others or making excuses won’t advance your case.

(Your Name)

(Your Address)

(Your email address)

(Your phone number)

RE: Account number (your account number)

To Whom It May Concern:

I am writing to discuss the loan referred to above. Up until this date I have made my payments on time and without interruption. Unfortunately, unexpected events have placed me in a position where I am no longer able to make payments according to the existing schedule.  
  
I am writing to request a loan modification that will allow me to maintain my payment record and make full payment of my debt.

My current inability to make payments is caused by (insert reason here). I am acting to resolve this situation by (explain what you are doing to solve your problem) and I expect to be able to resume payments by (insert target date here - be honest). In the meantime, I am willing to continue paying (insert amount that you are able to pay) per month.

I am committed to paying this loan in full and I believe that modification of the payment schedule will serve both of our interests. I’m willing to consider any modification that you can offer to keep my account in good standing.

I am attaching documentation to confirm the issues described above.

I await your reply and I hope that we can work together to resolve this problem

Sincerely,

(Your Name)