

Sample Letter #1: Modified Payment Plan Letter to Lender

First Name, Middle Name, Last Name

Complete Address

City State Zip

Phone • Email

Date

ABC Auto Lender
123 Main Street
Anytown, USA, Zip
Attn: Mr. Joe Smith

RE: Your Full Name

Address, City, State, Zip
Car Loan #: 000-000-000

Dear Mr. Smith:

To follow-up our phone conversation on Day of Week, Date, at Time of Day, I write to confirm details pertaining to my car loan #: 000-000-000.

Due to my current financial situation and (i.e. loss of employment), I am unable to maintain my monthly car payment of (\$400.00) for the next (six months). In (July 2013), I expect to have secured employment which will enable me to resume payments on the car.

(Name of lender) has agreed to suspend and freeze my full car payment and offered me the following terms:

January, February, and March 2013: No money will be due on the 15th of the month.
No late fee will be charged.

April, May, and June 2013: 1/4 payment, \$100.00. will be due on the 15th of the month.
No late fee will be charged.

Beginning of July 2013, I will resume payments at \$400.00/mo. on the 15th of the month.

The total unpaid balance of car payments from January-June 2013= \$2100.

(\$400 x3 months = \$2100.00.

(Name of lender) has agreed to add \$2100 to the back end of my loan. This will extend my loan from July 2013 to January 2015. Interest in the amount of 4% will accrue monthly on \$2100, between July 2013, and January 2015. If I payoff the total balance owed in advance of January 2015, interest will be calculated through the payoff date. Based on the terms of this plan, I will not be in default (nor default status).

Please prepare a written addendum to my original finance contract 00/00/00, which reflects the modification. I would expect to receive a signed addendum from your office no later than 00/00/00.

Thank you for working with me.

Sincerely,

Joe Consumer
Address, City, State, Zip
Phone