Name of Consumer  
Address of Consumer  
City, State, Zip Code  
  
DATE  
  
Name of Lender  
Address of Lender  
City, State, Zip Code  
  
RE: Explanation for late payments on credit report  
  
Dear Name of Lender:  
  
This letter is in reference to my application for a loan of $10,000 to purchase a new car. I understand that my credit rating is low and the purpose of this letter to explain the reason for this, and how I have remedied my financial situation.   
  
On DATE, the company I worked for laid off 200 employees including myself. During the exit interview, I was told it was because the company needed to reduce spending due to the economic downturn. I was in good standing with the company and was given a letter of recommendation from my supervisor.  
  
​Because of the economic situation, I was unable to get another job until DATE. During the time I was out of work, my family lived on my wife’s salary. We were unable to make payments on our credit cards and mortgage.   
  
Since I got my new job, we have resumed payments on all of our debts and plan to pay them off. Now, I require a car for my new job and would like an auto loan. I will be able to make the payments every month.  
  
Thank you for considering my situation. If you have any questions, I can be reached at Phone Number or Email Address.  
  
Sincerely,  
  
Signature of Consumer  
Printed Name of Consumer  
List of Enclosures: Copies of letter of leaving the job, recommendation from supervisor and hiring letter for a new job