

Formal explanation of past credit issues

Subject: Letter of Explanation for Derogatory Credit

Dear [Lender/Financial Institution],

I am writing to provide an explanation regarding the derogatory marks on my credit report. Due to [specific reason, e.g., medical emergency, job loss, or unexpected financial hardship], I was unable to meet my financial obligations on time during [time period].

Since that time, I have taken steps to improve my financial management, including [examples: establishing a budget, consolidating debts, setting up automatic payments]. I am committed to maintaining good credit moving forward and ensuring that such delays do not recur.

Please consider this explanation in your review of my creditworthiness. I am available to provide any additional documentation you may require.

Sincerely,

[Your Name]

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