

[Your Name]
[Your Address]
[City, State, Zip Code]
[Email Address]
[Phone Number]
[Date]

[Recipient Name]
[Recipient Title]
[Bank/Organization Name]
[Bank/Organization Address]
[City, State, Zip Code]

Subject: Explanation of Credit Issues

Dear [Recipient Name],

I am writing to provide a detailed explanation regarding my credit history as requested in relation to my application for an FHA loan. I acknowledge that my credit report shows [specific credit issue, e.g., late payments, accounts in collections, etc.], which may raise concerns during the underwriting process. I would like to explain the circumstances surrounding these issues:

1. **[Date]**: [Describe the first credit issue. Include details such as the reason for late payment or account in collections, what actions you took to remedy the situation, and how it has since been resolved.]
2. **[Date]**: [Describe the second credit issue if applicable. Follow the same format as above.]
3. **[Date]**: [If there are additional issues, briefly describe them here.]

I want to emphasize that since these incidents, I have taken significant steps to improve my financial management, including [mention any positive actions, such as timely payments, credit counseling, etc.]. I have also attached relevant documents to support my explanation, including [list any included documents such as payment records, statements, etc.].

I hope this explanation provides clarity on my credit history and illustrates my commitment to financial responsibility. Thank you for considering my application. Please feel free to contact me if you need any further information or clarification.

Sincerely,

[Your Name]

[Your Signature (if sending a hard copy)]