

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

[Date]

[Lender Name]
[Lender Address]
[City, State, Zip Code]

Re: Letter of Explanation for Debt Consolidation Refinance - Account Number: [Your Loan Number]

To the Underwriting Department,

I am writing this letter to formally request a mortgage refinance for my property located at [Property Address]. The primary purpose of this refinance is to consolidate high-interest outstanding debts into my mortgage to improve my overall financial stability.

Currently, I am managing several high-interest obligations, including:

- [Debt Name 1]: \$[Amount] at [Interest Rate]%
- [Debt Name 2]: \$[Amount] at [Interest Rate]%
- [Debt Name 3]: \$[Amount] at [Interest Rate]%

By consolidating these debts into a new mortgage, I will significantly reduce my monthly outgoing expenses and benefit from a lower aggregate interest rate. This restructure will increase my monthly cash flow by approximately \$[Dollar Amount] and allow me to manage my finances more efficiently through a single monthly payment.

I have consistently maintained my current mortgage payments and have included documentation of my income and credit history to support this application. My goal is to leverage the equity in my home to eliminate high-interest revolving debt and secure a more stable long-term financial position.

Thank you for your time and for considering my application. Please let me know if you require any additional information.

Sincerely,

[Your Signature]

[Your Printed Name]