[Date the explanation letter is drafted]  
[Name of the borrower, contact address down till city code, email id, cell number]  
[Reference: Mortgage Policy Number ##]

[Lender’s Name]  
[Lender’s Address]

[Salutation of choice]

This letter is being written in response to your request for explaining the late payments on the Mortgage Policy Number [X]. The said policy was acquired from {name of lending institution} on [date] for acquiring of [mention the essence of mortgage policy]. It is to inform you that [mention the reason for nonpayment of credit; death, health emergency, wedding ceremony, etc.] has occurred in our family. Owing to the above-stated reason, I was running low on my credit which now I have managed with my bank {mention bank name, account details}. As a means of assurance, you can also check up with my bank for my financial credibility.

I plan on discussing this in person with your institution on any working day of your choice and chalk out an elaborate plan to pay the debt as well as the remaining installments as per schedule. I understand this has been an inconvenience for your institution and I assure you that I have taken requisite measures to forestall any such incident happening in the future.

Attached are the following documents with the explanation letter: Mortgage Policy, the reason for nonpayment {if at all it is a health emergency, wedding ceremony}, bank account statement.

I also request you to not mention my name for late-payments and for which I will be extremely grateful.

Thanking you in anticipation.

[Your Name]  
[Signature of borrower]