

Date: [Current Date]

To: [Lender Name]

Attn: Loss Mitigation Department

Address: [Lender Address]

City, State, Zip: [City, State, Zip]

RE: Settlement Offer for Loan Number: [Your Loan Number]

Property Address: [Your Property Address]

To Whom It May Concern,

I am writing this letter to formally propose a settlement regarding the above-referenced mortgage loan currently in default. Due to [briefly state hardship, e.g., medical emergency, job loss, or divorce], I am no longer able to maintain the monthly payments or bring the account current through a traditional reinstatement.

In an effort to avoid the time and expense of a formal foreclosure proceeding for both parties, I am proposing a one-time, lump-sum settlement payment of **[\$[Insert Dollar Amount]**.

This offer is contingent upon the following terms:

- The proposed payment shall be accepted as "Full Accord and Satisfaction" of the debt.
- The lender agrees to waive all remaining principal, accrued interest, and late fees.
- The lender agrees to release the lien on the property and report the account as "Paid in Full" or "Settled for less than full balance" to the credit bureaus.
- The lender agrees to cease all foreclosure legal actions immediately upon acceptance of this offer.

I currently have these funds available for immediate wire transfer or cashier's check upon receipt of a written acceptance agreement signed by an authorized representative of [Lender Name].

Please understand that my current financial situation is dire. If we cannot reach a settlement, I may be forced to consider other alternatives, including bankruptcy. I would prefer to resolve this matter amicably through this settlement.

This offer remains valid until [Insert Expiration Date]. I look forward to your prompt response.

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Phone Number]

[Your Email Address]