

**DATE:** [Current Date]

**TO:** [Closing Agent/Title Company Name]

**ATTN:** [Closer Name]

**RE:** Short Sale Closing Instructions

**BORROWER:** [Borrower Name]

**PROPERTY ADDRESS:** [Full Property Address]

**LOAN NUMBER:** [Loan Number]

**SERVICER:** [Mortgage Lender Name]

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To Whom It May Concern,

This letter serves as the formal closing instructions for the short sale of the above-referenced property. [Mortgage Lender Name] has approved the short sale subject to the following terms and conditions:

**1. NET PROCEEDS:** [Mortgage Lender Name] must receive a minimum net recovery of \$[Amount] no later than [Expiration Date].

**2. APPROVED SETTLEMENT COSTS:** Only the following expenses are authorized to be deducted from the gross sales price:

- Real Estate Commissions: \$[Amount]
- Title and Settlement Fees: \$[Amount]
- Outstanding Taxes: \$[Amount]
- Seller Credits to Buyer: \$[Amount]
- Other: [Specify]

**3. PROHIBITED DISBURSEMENTS:** No proceeds are to be paid to the borrower(s), any junior lienholders (unless specifically authorized in the approval letter), or any other third party not listed on the approved HUD-1/Closing Disclosure.

**4. DOCUMENTATION REQUIRED:** Within 24 hours of closing, the following must be delivered to the lender:

- Final Certified Closing Disclosure (signed by all parties).
- Executed Copy of the Warranty Deed.
- Proof of Wire Transfer.

**5. WIRING INSTRUCTIONS:**

**Bank Name:** [Bank Name]

**ABA/Routing Number:** [Routing Number]

**Account Number:** [Account Number]

**Reference:** [Loan Number / Borrower Name]

**6. EXPIRATION:** This approval is valid until [Expiration Date]. If the transaction does not close by this date, a written extension must be requested and approved in writing.

Upon receipt of the specified net proceeds and required documentation, the lender will initiate the process to release the lien on the subject property.

Sincerely,

[Your Name/Company Name]

[Your Title]

[Phone Number]

[Email Address]