

[Your Name/Company Name]

[Your Address]

[City, State, Zip Code]

[Your Phone Number]

[Your Email Address]

[Date]

[Junior Lienholder Name]

[Lienholder Department, e.g., Loss Mitigation]

[Lienholder Address]

[City, State, Zip Code]

**RE: Short Sale Payoff Negotiation**

**Account Number:** [Your Loan Account Number]

**Property Address:** [Full Property Address]

**Borrower(s):** [Full Names of All Borrowers]

To Whom It May Concern,

I am writing to request a short sale payoff negotiation regarding the junior lien held on the above-referenced property. As the property is currently worth less than the total debt owed across all encumbrances, a short sale is being pursued to avoid foreclosure.

The primary mortgage holder has approved a short sale of the property for the purchase price of \$[Offer Price]. Based on the current market value and the terms set by the senior lienholder, there are limited funds available for subordinate liens.

We are formally proposing a one-time, full and final settlement payment of \$[Amount, e.g., \$3,000 or 10% of balance] to [Junior Lienholder Name] in exchange for a full release of the lien and a satisfaction of the debt. Please note that the senior lienholder has capped the junior lien payoff at this amount as a condition of their approval.

Enclosed for your review are the following documents:

- Authorization to Release Information
- Preliminary Settlement Statement (HUD-1/CD)
- Hardship Letter and Financial Statement
- Current Market Analysis or Appraisal
- Sales Contract

Time is of the essence as the current purchase offer has a pending expiration date. Your prompt review and written acceptance of this offer will allow all parties to move forward with the closing and prevent the total loss that would occur should the property proceed to a foreclosure sale.

Please contact me at [Your Phone Number] or [Your Email] to discuss this proposal or to provide the necessary payoff approval letter.

Sincerely,

[Your Signature]

[Your Printed Name]