

[Your Name]
[Your Address]
[Your Phone Number]
[Your Email Address]

[Date]

[Junior Lienholder Name]
[Lienholder Address]
[City, State, Zip Code]

**RE: Settlement Offer for Account Number: [Your Account Number]
Property Address: [Your Property Address]**

To Whom It May Concern,

I am writing to formally propose a lump sum settlement to fully satisfy the debt associated with the junior lien currently held by your institution on the property referenced above.

Due to [mention brief reason: financial hardship/decreased property value/impending short sale], I am unable to continue making regular payments or satisfy the full balance of this debt. Based on current market conditions and a recent appraisal, the property value is currently [Current Property Value], while the primary mortgage balance is [First Mortgage Balance]. This leaves [very little/zero] equity available to cover your junior lien in the event of a foreclosure.

In an effort to resolve this matter amicably and avoid further costs, I am offering a one-time, lump sum payment of \$[Offer Amount] as full and final satisfaction of this debt. This offer represents [Percentage]% of the current outstanding balance.

If this offer is accepted, I request a written agreement stating that:

- The payment will be accepted as "Full Satisfaction" of the debt.
- The lien on the property will be released within [Number] days of payment receipt.
- Any remaining balance will be waived, and no further collection actions will be pursued.
- The account will be reported to credit bureaus as "Settled in Full" or "Paid in Full for less than the full balance."

This offer is valid until [Expiration Date]. Please contact me at [Your Phone Number] or [Your Email] to discuss this proposal further.

Sincerely,

[Your Signature]

[Your Printed Name]