

[Your Name]
[Your Address]
[City, State, Zip Code]
[Your Phone Number]
[Your Email]

[Date]

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

RE: FINAL SETTLEMENT OFFER AND PAYOFF REQUEST

Account Number: [Your Account Number]
Property Address: [Collateral Property Address]

To Whom It May Concern,

This letter serves as a formal final offer to settle the above-referenced junior lien account in full. As previously discussed, the current financial circumstances regarding the property and my personal insolvency prevent the full repayment of this debt.

At this time, the property value is estimated at \$[Estimated Property Value], which is significantly less than the combined total of the superior liens and this junior encumbrance. In the event of a foreclosure by the primary lender, your position as a junior lienholder would be extinguished with zero recovery.

I am prepared to offer a one-time, lump-sum payment of \$[Offer Amount] as a full and final settlement of this debt. This offer is contingent upon the following terms:

- The payment shall be accepted as full satisfaction of the debt.
- Your company will release the lien and provide a recorded "Satisfaction of Mortgage" or "Release of Lien" within 30 days of receipt of funds.
- The account will be reported to all credit bureaus as "Settled in Full" or "Paid in Full for less than the full balance."
- All further collection efforts and interest accrual will cease immediately upon acceptance.

This is my final offer based on available funds. This offer will remain valid until [Expiration Date]. If this offer is not accepted, I will be forced to explore other options, including [Short Sale / Deed in Lieu / Bankruptcy Filing].

Please provide a written acceptance of these terms on your company letterhead. Upon receipt of the written agreement, I will wire the funds or send a cashier's check immediately.

Sincerely,

[Your Signature]

[Your Printed Name]