

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

[Date]

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

**Re: Offer for Full and Final Settlement of Junior Lien**

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

**Property Address:** [Address of the Property]

To Whom It May Concern,

I am writing to discuss a payoff settlement regarding the junior lien held by [Lienholder Name] on my property located at [Property Address].

Due to significant financial hardship, I am currently unable to maintain the full scheduled payments on this debt. Based on current market conditions and a recent valuation of the property, the current market value is approximately \$[Estimated Property Value]. The balance on the primary mortgage is \$[Primary Mortgage Balance]. As a result, your junior lien is currently [partially/fully] unsecured.

I am reaching out to offer a one-time, lump-sum payment of \$[Offer Amount] as a full and final settlement of this debt. This offer represents [Percentage]% of the current outstanding balance of \$[Current Junior Lien Balance].

In exchange for this payment, I request that [Lienholder Name] agrees to:

- Accept the payment as a full and final satisfaction of the debt.
- Release the lien on the property and provide a recorded satisfaction of mortgage/deed of trust.
- Report the account to all credit bureaus as "settled in full" or "paid as agreed."
- Waive any right to pursue a deficiency judgment for the remaining balance.

Please review this proposal. This offer is valid until [Expiration Date]. I look forward to receiving your written acceptance of this settlement offer. Once I receive written confirmation of these terms, I will arrange for the immediate transfer of funds.

Sincerely,

[Your Signature]

[Your Printed Name]