

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

[Date]

[Lending Institution Name]  
[Department Name, e.g., Loss Mitigation Department]  
[Address]  
[City, State, Zip Code]

**RE: Request for Debt Forgiveness / Settlement of HELOC Account #[Your Account Number]**

To Whom It May Concern,

I am writing to formally request a partial or total forgiveness of the remaining balance on my Home Equity Line of Credit (HELOC) for the property located at [Property Address].

Due to unexpected financial hardship caused by [briefly state reason, e.g., medical emergency, job loss, or economic downturn], I am currently unable to meet the full repayment obligations of this loan. My current financial situation is as follows: [Optional: briefly describe current income vs. debt].

I am requesting that [Lender Name] consider one of the following options:

- A total forgiveness of the remaining principal balance.
- A one-time lump sum settlement payment of \$[Amount] to satisfy the debt in full.
- A permanent reduction of the principal balance to an amount I can realistically manage.

If an agreement is reached, I request that the bank reports this account to the credit bureaus as "Settled in Full" or "Paid as Agreed" and releases the lien on the aforementioned property.

I have enclosed documentation supporting my financial hardship, including [list documents, e.g., recent pay stubs, tax returns, or medical bills].

Thank you for your time and for considering this request. I look forward to hearing from you soon to discuss a potential resolution.

Sincerely,

[Your Signature]

[Your Printed Name]