

[Your Name/Law Firm Name]

[Address]

[City, State, Zip Code]

[Phone Number]

[Email]

[Date]

[Recipient Name/Opposing Counsel]

[Company Name/Law Firm]

[Address]

[City, State, Zip Code]

RE: SETTLEMENT DEMAND AFTER MEDIATION

Project Name: [Project Name/Address]

Claimant: [Your Name/Company]

Respondent: [Opposing Party Name]

Mechanic's Lien Recording Info: [Instrument Number/Book/Page]

Dear [Name],

Following our mediation session held on [Date of Mediation] regarding the construction defects and the outstanding mechanic's lien filed against the property located at [Property Address], this letter serves as a formal demand for settlement based on the discussions and progress made during the proceedings.

While the parties did not reach a final signed agreement during the session, the mediation clarified the scope of necessary repairs and the remaining balance owed for work performed. In the interest of avoiding further litigation costs and the foreclosure of the mechanic's lien, [Claimant Name] proposes the following final settlement terms:

- **Settlement Amount:** [Respondent Name] shall pay [Claimant Name] the total sum of \$[Amount] as full and final satisfaction of the lien claim.
- **Scope of Credit/Repair:** This amount accounts for a credit of \$[Amount] provided by [Claimant Name] to address the alleged construction defects discussed, specifically: [List specific defects being settled].
- **Lien Release:** Upon receipt and clearing of the settlement funds, [Claimant Name] will file a formal Release of Mechanic's Lien with the [County Name] Recorder's Office within [Number] days.
- **Mutual Release:** Both parties will execute a mutual release of all claims, known or unknown, arising out of the original contract and the subsequent construction defect allegations.

This offer is made for settlement purposes only and is subject to the protections of [State Specific Evidence Code/Rule]. If we do not receive a written acceptance of these terms or a meaningful

counter-offer by [Date/Time], we will proceed with the enforcement of our lien rights through judicial foreclosure and seek all applicable interest and attorney's fees.

We look forward to resolving this matter promptly.

Sincerely,

[Your Signature]

[Your Printed Name]