

DATE: [Current Date]

TO:

[Lender Name/Financial Institution]
[Department Name, e.g., Loss Mitigation]
[Street Address]
[City, State, Zip Code]

RE: SETTLEMENT OFFER FOR DELINQUENT COMMERCIAL LOAN

Borrower Name: [Business Name]
Loan Account Number: [Account Number]
Property/Collateral Address: [Address, if applicable]

To Whom It May Concern,

This letter serves as a formal proposal to settle the outstanding debt associated with the above-referenced commercial loan. As of [Date], the current total balance due is \$[Total Balance].

Due to [briefly state reason: e.g., economic downturn, business closure, or financial hardship], [Business Name] is unable to fulfill the original repayment terms. In an effort to resolve this delinquency and avoid further legal action or foreclosure, we propose a one-time, lump-sum settlement payment of \$[Offer Amount].

This offer is contingent upon the following conditions:

- The proposed payment shall be accepted as full and final satisfaction of the debt.
- The Lender shall release all liens and security interests held against the business assets or collateral.
- The Lender shall report the account to credit agencies as "Settled in Full" or "Paid as Agreed."
- The Borrower and any Guarantors shall be released from all further liability regarding this loan.

Upon written acceptance of this offer, the funds will be transferred via [Wire/Certified Check] within [Number] business days.

Please provide a written response or a formal Settlement Agreement by [Expiration Date]. We look forward to resolving this matter amicably.

Sincerely,

[Signature]
[Printed Name]
[Title/Position]
[Phone Number]
[Email Address]