

[Lender Name]
[Lender Address]
[City, State, Zip Code]
[Phone Number]

Date: [Current Date]

RE: Short Sale Payoff Approval

Borrower(s): [Borrower Name(s)]
Property Address: [Property Address, City, State, Zip]
Loan Number: [Loan Number]

Dear [Name of Contact/Escrow Officer],

[Lender Name] has approved the short sale of the property referenced above. This approval is subject to the following terms and conditions:

1. Payoff Amount: The lender agrees to accept a net payoff amount of \$[Amount] to satisfy the mortgage. This amount must be received no later than [Expiration Date].

2. Closing Date: The transaction must close on or before [Closing Deadline Date]. If the sale does not close by this date, this approval is void unless extended in writing.

3. Allowed Costs: The lender approves the following deductions from the gross sales price:

- Real Estate Commissions: \$[Amount]
- Closing/Escrow Costs: \$[Amount]
- Tax Arrears: \$[Amount]
- Other Approved Costs: \$[Amount]

4. No Seller Proceeds: The borrower(s) shall receive no proceeds from the sale of this property. Any excess funds or credits must be paid to the lender.

5. Lien Release: Upon receipt of the approved payoff funds, the lender will release the lien on the subject property. [Optional: Specify if there is a deficiency waiver or if the lender reserves the right to pursue a deficiency judgment].

6. Arm's Length Transaction: This sale must be an "Arm's Length Transaction." The buyer and seller cannot be related by blood, marriage, or business enterprise.

Please submit the final HUD-1 or Closing Disclosure for review at least 48 hours prior to closing.

Sincerely,

[Authorized Signature]

[Printed Name]

[Title]

[Lender Name/Department]