

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

Date: [Current Date]

RE: SHORT SALE PAYOFF APPROVAL LETTER

Borrower(s): [Borrower Name(s)]
Property Address: [Full Property Address]
Loan Number: [Loan Number]

Dear [Borrower Name/Title Company],

This letter serves as formal notification that [Lender Name] has approved the short sale of the property referenced above. We agree to accept a discounted payoff of the existing mortgage under the following terms and conditions:

1. Net Payoff Amount: [Lender Name] must receive a minimum net payment of \$[Amount] no later than [Expiration Date].

2. Closing Requirements:

- The sale must be an "Arm's Length" transaction.
- The property must be sold to [Buyer Name] for a gross purchase price of \$[Sales Price].
- The closing must occur on or before [Closing Deadline].

3. Settlement Charges: No commissions, fees, or closing costs may be paid from the sale proceeds other than those specifically approved in the final HUD-1/Settlement Statement provided to the lender on [Date].

4. Deficiency Waiver: [Choose one: The lender waives its right to pursue a deficiency judgment / The lender reserves the right to pursue the remaining balance of \$[Balance] from the borrower].

5. Release of Lien: Upon receipt and clearance of the specified payoff funds, the lender will release the lien on the subject property and report the account to credit bureaus as "Settled for less than full balance."

All funds must be wired to the following account:

Bank Name: [Bank Name]
Routing Number: [Routing Number]
Account Number: [Account Number]
Reference: [Loan Number / Borrower Name]

Sincerely,

[Authorized Representative Name]

[Department Name]

[Lender Name]