

Date: [Insert Date]

Lender Name: [Insert Lending Institution Name]

Loan Number: [Insert Loan Account Number]

Property Address: [Insert Full Property Address]

RE: Approval of Short Sale and Waiver of Deficiency Balance

Dear [Insert Contact Name or Department],

This letter serves as a formal agreement between [Insert Lender Name] (the "Lender") and [Insert Borrower Name(s)] (the "Borrower") regarding the short sale of the property located at the address referenced above.

The Lender hereby approves the short sale of the property to [Insert Buyer Name] for the purchase price of \$[Insert Sale Price].

In consideration of the proceeds received from this sale, the Lender agrees to the following terms:

- **Full Satisfaction:** The Lender accepts the net proceeds of the sale as full and final satisfaction of the mortgage debt.
- **Deficiency Waiver:** The Lender expressly waives any and all rights to pursue a deficiency judgment against the Borrower for the difference between the total amount owed on the loan and the net proceeds received from the short sale.
- **Release of Lien:** Upon receipt of the funds, the Lender shall release the lien on the property and report the account to the credit bureaus as "Settled for less than full balance" or "Paid in full/Short Sale."
- **No Further Liability:** The Borrower shall have no further financial obligation to the Lender regarding the aforementioned loan account.

This agreement is contingent upon the closing of the sale on or before [Insert Expiration Date].

By signing below, both parties acknowledge and agree to the terms set forth in this document.

Authorized Lender Representative Signature

Date: [Insert Date]

Borrower Signature

Date: [Insert Date]