

# Debt Settlement Proposal

Date: [Insert Date]

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Creditor's Name]

[Creditor's Company Name]

[Company Address]

[City, State, Zip Code]

Dear [Creditor's Name],

I hope this letter finds you well. I am writing to propose a settlement for my outstanding loan balance of [Insert Debt Amount] originally taken on [Insert Loan Date]. Due to [explain your financial situation, e.g., loss of job, medical emergencies], I am currently unable to meet my repayment obligations.

In light of my circumstances, I would like to propose a settlement amount of [Insert Proposed Settlement Amount]. I believe this sum is fair considering my current financial situation and would allow me to resolve my debt with you.

I am committed to making this process as smooth as possible and hope we can reach an agreement that satisfies both parties. I kindly request that you consider my proposal and I look forward to your prompt response.

Thank you for your understanding.

Sincerely,

[Your Name]