

# Debt Settlement Proposal

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Date]

[Lender's Name]

[Lender's Address]

[City, State, Zip Code]

## **Subject: Proposal for Debt Settlement on Student Loans**

Dear [Lender's Name],

I hope this letter finds you well. I am writing to propose a settlement plan regarding my outstanding student loans, account number [Your Account Number]. Due to [brief explanation of financial hardship], I am currently facing difficulties in meeting my repayment obligations.

In light of my situation, I am requesting a reduction in the total amount due. I am proposing a settlement of [Proposed Amount] to be paid as a lump sum, which represents [percentage of the debt] of the total balance owed. I believe this settlement can be beneficial for both parties as it provides me with a manageable solution while allowing you to recover a portion of the debt.

I am committed to resolving this matter and look forward to your understanding. Please let me know if you are open to discussing this proposal, and I am happy to provide any further documentation needed to support my request.

Thank you for considering my proposal. I hope to hear from you soon.

Sincerely,

[Your Name]