Dear XXX,

Thank you for the updated offer. I really appreciate your hard work on this and I am excited to get started.

However, I do believe that my contributions will be more valuable to the company. I will be able to accomplish x, y and z for the company by the end of my first year of employment.

Based on the current market, a competitive salary for this position is [your counter offer].

How can we bring the offer up to this competitive level?

Kind regards,

XXX