

MUTUAL RELEASE AND WAIVER OF DEFICIENCY JUDGMENT

Date: [Insert Date]

Lender: [Insert Lender Name]

Borrower: [Insert Borrower Name]

Property Address: [Insert Full Property Address]

Loan Account Number: [Insert Loan Number]

This Mutual Release and Waiver of Deficiency Judgment ("Agreement") is entered into by and between the Lender and the Borrower identified above.

1. **Transfer of Property:** Borrower agrees to transfer all right, title, and interest in the Property to Lender through a [Deed-in-Lieu of Foreclosure / Short Sale / Voluntary Surrender] effective as of [Insert Date].

2. **Waiver of Deficiency:** In consideration of the Borrower's cooperation and the transfer of the Property, Lender hereby irrevocably waives, releases, and relinquishes any and all rights to pursue a deficiency judgment against the Borrower. Lender agrees that the proceeds from the sale or transfer of the Property shall be accepted as full and final satisfaction of the total debt owed under the Loan Account Number referenced above.

3. **Mutual Release:** Both parties hereby release and forever discharge each other from any and all claims, liabilities, demands, or causes of action, known or unknown, arising out of or related to the original loan agreement and the Property, except for any obligations expressly created by this Agreement.

4. **Credit Reporting:** Lender agrees to report the status of the account to the relevant credit bureaus as "Settled for less than full balance" or "Account paid in full via [Deed-in-Lieu/Short Sale]," as required by law.

5. **Governing Law:** This Agreement shall be governed by the laws of the State of [Insert State].

By signing below, both parties acknowledge they have read, understood, and agreed to the terms herein.

Lender Signature: _____

Printed Name/Title: [Insert Name/Title]

Date: _____

Borrower Signature: _____

Printed Name: [Insert Name]

Date: _____