

**Date:** [Insert Date]

**Borrower Name(s):** [Insert Outgoing Borrower Name]

**Property Address:** [Insert Property Address]

**Loan Account Number:** [Insert Loan Number]

**RE: RELEASE OF LIABILITY AND MORTGAGE NOVATION**

Dear [Insert Borrower Name],

This letter serves as formal confirmation that [Insert Lender Name] has approved the application for a Mortgage Novation regarding the above-referenced loan account.

Effective as of [Insert Effective Date], [Insert Outgoing Borrower Name] is hereby released from all further personal liability, obligations, and duties associated with the mortgage note and the deed of trust/mortgage deed originally executed on [Insert Original Loan Date].

The remaining party, [Insert Remaining/Assuming Borrower Name], has assumed full responsibility for the outstanding balance and all terms of the loan agreement. This novation creates a new contractual relationship between [Insert Lender Name] and the assuming party, effectively replacing the previous agreement.

No further actions are required from you regarding this debt. We recommend retaining this letter for your permanent financial records.

Sincerely,

[Authorized Signature]

[Printed Name]

[Title]

[Lender Name]