

[Your Name/Company Name]

[Your Address]

[City, State, Zip Code]

[Phone Number]

[Date]

[Lending Institution Name]

[Loan Officer Name/Department]

[Institution Address]

[City, State, Zip Code]

RE: Request for Conditional Release of Collateral

Loan Number(s): [Insert Loan Numbers]

Collateral Description: [Insert Property Address or Asset Description]

Dear [Loan Officer Name],

I am writing to formally request a conditional release of the above-referenced asset currently held as cross-collateral for my existing loan obligations with [Lending Institution Name].

The purpose of this request is to facilitate the [sale/refinance/transfer] of this specific asset. I propose the following conditions for this release:

- **Principal Reduction:** Upon the closing of the transaction, a payment of \$[Amount] will be applied directly to the principal balance of Loan Number [Loan Number].
- **Remaining Collateral:** [Lending Institution Name] will retain its first-lien position on the remaining assets located at [Addresses of other properties], which currently maintain a Loan-to-Value (LTV) ratio of [Percentage]%.
- **Substitution of Collateral:** (Optional) In exchange for the release, I offer [Description of new asset] as substitute collateral.

Enclosed are supporting documents, including a recent appraisal of the remaining collateral and a draft settlement statement (HUD-1) for the pending transaction.

Please provide a formal payoff statement or a Letter of Intent outlining the specific requirements for the partial release of the lien. I look forward to your prompt response to ensure the closing remains on schedule for [Projected Closing Date].

Sincerely,

[Your Signature]

[Your Printed Name]