

Date: [Insert Date]

Borrower Name: [Insert Borrower Name]

Borrower Address: [Insert Borrower Address]

Lender Name: [Insert Lender Name]

Lender Address: [Insert Lender Address]

RE: RELEASE OF PROMISSORY NOTE AND WAIVER OF DEFICIENCY

Dear [Insert Borrower Name],

This letter serves as formal acknowledgment and confirmation regarding the Promissory Note dated [Insert Date of Original Note] in the original principal amount of \$[Insert Amount] (the "Note").

The Lender hereby acknowledges receipt of [Insert "Full Payment" or "the agreed settlement amount of \$_____"] as consideration for the total discharge of the debt.

By signing this document, the Lender declares the following:

- **Release of Liability:** The Borrower is hereby fully and forever released from any and all obligations, liabilities, and debts arising from the Note.
- **Waiver of Deficiency:** The Lender expressly waives any right to pursue a deficiency judgment or seek any further funds from the Borrower regarding this debt, whether currently known or unknown.
- **Cancellation of Note:** The Note is hereby deemed canceled, void, and of no further legal effect.

The Lender further agrees to return the original Note marked "PAID IN FULL" to the Borrower within [Insert Number] days of this letter, or provide an Affidavit of Lost Note if the original cannot be located.

Sincerely,

[Insert Lender Name]

Authorized Signature

ACKNOWLEDGMENT OF RECEIPT:

[Insert Borrower Name]

Date: _____