

Date: [Date]

To: [Tenant Name(s)]

Property Address: [Full Property Address]

Re: Security Deposit Reallocation and Liability Waiver

Dear [Tenant Name],

This letter serves as a formal agreement regarding the security deposit currently held by [Landlord/Company Name] in the amount of \$[Total Deposit Amount] for the lease of the property listed above.

1. Reallocation of Funds:

It is hereby agreed that the security deposit shall be reallocated as follows:

- \$[Amount] applied toward outstanding rent for the period of [Date] to [Date].
- \$[Amount] applied toward [Late Fees/Utilities/Repairs].
- \$[Amount] to remain as a security deposit for the remainder of the lease term.

2. Waiver of Claims:

By signing this agreement, the Tenant acknowledges that the reallocation satisfies the specific debts mentioned above. In exchange for this reallocation, [Landlord/Tenant] hereby waives and releases any and all future claims, demands, or causes of action against the other party specifically related to [Description of Dispute/Issue being waived].

3. Remaining Balance:

The Tenant understands that any remaining security deposit balance will continue to be held in accordance with the original lease agreement and local laws. If the deposit was depleted to cover debts, the Tenant [is/is not] required to replenish the deposit to its original amount by [Date].

All other terms and conditions of the original Lease Agreement dated [Original Lease Date] remain in full force and effect.

Please sign and return a copy of this letter to confirm your agreement.

Sincerely,

[Landlord/Property Manager Name]

Tenant Acknowledgement and Agreement:

I/We, the Tenant(s), agree to the reallocation of the security deposit and the waiver of claims as described above.

[Tenant Signature] [Date]

[Tenant Signature] [Date]