

## ***Sample Lender Approval Letter #1***

Date: July 1, 2009

Dear Borrower:

Bank A agrees to release its security interests in the above collateral upon receipt of \$1,000 in certified funds. This amount is for the release of Bank A's security interest only. Please contact your tax advisor regarding any tax ramifications from this transaction.

Bank A requires that we approve a final settlement statement prior to closing that shows a balance to be paid to Bank A of no less than \$473,285, which will show a real estate commission of no more than \$28,397 which is to be included in closing costs not to exceed \$52,412.75. Closing shall take place no later than July 10, 2009.

Sincerely,

Bank A Representative

In this sample lender approval letter, note:

- The bank is releasing security interest only (mortgage)
- No mention of releasing the promissory note
- Needs clarification to determine if the seller has to pay the deficiency
- The date of the approval and date of closing