

Cross-Collateralization Disclosure Statement

Date: **[Insert Date]**

To: **[Borrower's Name]**

[Borrower's Address]

[City, State, Zip Code]

Dear [Borrower's Name],

This letter serves as a formal disclosure regarding the cross-collateralization agreement associated with your loan(s) with [Lender's Name]. Please take a moment to review the following important information:

What is Cross-Collateralization?

Cross-collateralization occurs when a borrower uses multiple assets as collateral for one or more loans. This means that if you default on any of your loans, the lender has the right to claim any of the collateralized assets.

Loan Details

- Loan Account Number: [Account Number]
- Loan Amount: [Loan Amount]
- Collateralized Assets: [List of Assets]

Implications of Cross-Collateralization

Please note that the use of cross-collateralization may affect your ability to refinance or obtain additional credit, as all collateralized assets will be tied to the terms of your existing loans.

If you have any questions regarding this disclosure or wish to discuss your loan terms further, please do not hesitate to contact us at [Contact Information].

Thank you for your attention to this important matter.

Sincerely,

[Your Name]

[Your Title]

[Lender's Name]

[Lender's Address]

[Lender's Phone Number]