[Date]

[Borrower Name]
[Co-Borrower Name]
[Property Address]
[City, State, Zip Code]

Subject: Approval of Payment Deferral Plan
Loan Number: [Insert Loan Number]

Dear [Borrower Name],

We are pleased to inform you that [Lender/Servicer Name] has approved your request for a Payment Deferral. This loss mitigation option is designed to assist you in bringing your mortgage current after a period of financial hardship.

Summary of Deferral Terms:

- **Deferred Amount:** $[Insert Amount]
- **Included Charges:** [Missed principal, interest, taxes, and insurance]
- **Effective Date:** [Insert Date]
- **Next Payment Due Date:** [Insert Date]
- **Regular Monthly Payment:** $[Insert Amount]

How This Works:

The deferred amount listed above will be moved to the end of your loan term as a non-interest-bearing balloon payment. You are not required to pay this amount now. Instead, it will become due and payable only when you pay off your mortgage, sell your property, or refinance your loan.

Your mortgage interest rate, monthly principal and interest payment, and maturity date remain unchanged. Please note that if your loan has an escrow account, your monthly payment may still change in the future based on annual escrow evaluations.

Next Steps:

To accept this offer, please sign the enclosed agreement and return it to us by [Insert Deadline Date]. Once we receive the signed documents, we will update your account status accordingly.

If you have any questions regarding this letter or your repayment options, please contact our Loss Mitigation Department at [Phone Number] between the hours of [Operating Hours].

Sincerely,

[Name of Representative]
[Title]
[Lender/Servicer Name]