[Date]

[Borrower Name]
[Borrower Address]
[City, State, Zip Code]

RE: FORBEARANCE AGREEMENT - Loan Number: [Loan Number]

Dear [Borrower Contact Name],

This Forbearance Agreement ("Agreement") is made between [Lender Name] ("Lender") and [Borrower Name] ("Borrower") regarding the commercial loan dated [Original Loan Date] in the original principal amount of $[Amount].

1. Recitals: Borrower is currently in default of the Loan due to [Describe Default, e.g., failure to make payments due on Date]. Borrower has requested that Lender temporarily refrain from exercising its legal remedies.

2. Forbearance Period: Lender agrees to forbear from initiating foreclosure or collection actions from [Start Date] until [End Date] ("Forbearance Period"), unless a further default occurs.

3. Forbearance Terms: During the Forbearance Period, the following payment terms shall apply:
[Insert specific terms, e.g., Borrower shall pay interest-only payments of $Amount per month].

4. No Waiver: This Agreement does not constitute a waiver of the default. All terms of the original Loan Documents remain in full force and effect. Upon expiration of the Forbearance Period, all deferred amounts and regular payments shall become immediately due unless otherwise agreed in writing.

5. Conditions: This Agreement is contingent upon Borrower [Insert conditions, e.g., providing updated financial statements or paying a forbearance fee].

Please acknowledge your acceptance of these terms by signing below and returning this letter by [Due Date].

Sincerely,

[Lender Representative Name]
[Title]
[Lender Name]

AGREED AND ACCEPTED:

By: ___________________________
[Borrower Authorized Signatory Name]
Date: ___________________________