Date: [Insert Date]

Borrower Name: [Insert Borrower Name]
Account Number: [Insert Account Number]
Collateral/Property Address: [Insert Asset Description/Address]

Subject: Approval of Forbearance Plan

Dear [Insert Borrower Name],

This letter serves as official notification that [Insert Lender Name] has approved your request for a temporary forbearance regarding the secured loan referenced above. We understand your current financial situation and have agreed to modify your payment schedule for a specific period.

Forbearance Terms:

- **Forbearance Period:** [Insert Start Date] to [Insert End Date]
- **Reduced Payment Amount:** [Insert Amount or "Zero"]
- **Frequency:** [Insert Frequency, e.g., Monthly]

Conditions of Agreement:

During this period, the lender will not initiate foreclosure proceedings or repossession efforts against the secured asset, provided you adhere to the terms of this agreement. Please note that interest will continue to accrue on the unpaid principal balance as per your original loan agreement.

Post-Forbearance Requirements:

Once the forbearance period expires on [Insert End Date], you will be required to resume your regular monthly payments. Additionally, you must resolve the deferred amount through one of the following options: [Insert Options, e.g., Lump sum payment, Loan modification, or Payment extension].

Please sign and return a copy of this letter by [Insert Deadline Date] to confirm your acceptance of these terms. Failure to return the signed document may result in the cancellation of this approval.

Sincerely,

[Insert Name/Department]
[Insert Lender Name]
[Insert Contact Phone Number]

Acknowledgment and Acceptance:

I/We agree to the terms and conditions outlined in this Forbearance Approval Letter.

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Borrower Signature / Date