

[Current Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

Subject: Confirmation of Modified Principal Balance - Loan Number: [Loan Number]

Dear [Borrower Name],

This letter serves as official confirmation regarding the recent modification of your loan agreement. Following the completion of the modification process effective [Effective Date], the principal balance of your account has been adjusted.

The details of your modified principal balance are as follows:

- **Previous Principal Balance:** \$[Amount]
- **Capitalized Interest/Fees (if applicable):** \$[Amount]
- **Principal Reduction (if applicable):** \$[Amount]
- **New Modified Principal Balance:** \$[Amount]

Please note that this new principal balance will be the basis for your future interest calculations and monthly payments. Your next payment in the amount of \$[Monthly Payment Amount] is due on [Next Payment Due Date].

All other terms and conditions of your original promissory note and security instrument remain in full force and effect, except as specifically modified by your signed Modification Agreement.

We recommend that you keep this letter with your permanent loan records. If you have any questions regarding this adjustment, please contact our customer service department at [Phone Number] or via email at [Email Address].

Sincerely,

[Authorized Signatory Name]

[Title]

[Financial Institution/Lender Name]