

[Company Name]  
[Company Address]  
[City, State, Zip Code]  
[Phone Number]

[Date]

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

Re: Account Number: [Account Number]

Dear [Customer Name],

This letter serves as formal confirmation of the Balloon Payment Agreement regarding your account referenced above. Please review the following terms as agreed upon:

**Payment Schedule:**

Your regular monthly payments will continue in the amount of \$[Monthly Amount] until [Date of Final Regular Payment].

**Balloon Payment Details:**

A final "balloon" payment will be due on [Due Date]. The estimated amount of this final payment is \$[Balloon Amount]. This amount includes the remaining principal balance and any accrued interest.

**Agreement Terms:**

- The balloon payment is significantly larger than your previous monthly installments.
- Failure to make this payment in full by the due date may result in late fees or default.
- [Optional: Mention refinancing options if available].

Please sign and return one copy of this letter to acknowledge that you understand the terms of this balloon payment structure. Keep the second copy for your personal records.

If you have any questions, please contact our customer service department at [Phone Number].

Sincerely,

[Name of Representative]  
[Title]

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**Customer Acknowledgment:**

I, [Customer Name], acknowledge and accept the terms of the balloon payment as described above.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_