Date: [Insert Date]

Borrower Name: [Insert Borrower Name]
Account Number: [Insert Account Number]
Property Address: [Insert Property Address]

Subject: Confirmation of Deferred Balance Balloon Payment Agreement

Dear [Insert Borrower Name],

This letter serves as formal confirmation of our agreement regarding the deferred balance on your loan. As previously discussed and agreed upon, a portion of your outstanding principal balance has been deferred and will be structured as a "Balloon Payment."

Terms of the Agreement:

- **Deferred Amount:** $[Insert Amount]
- **Due Date:** [Insert Date, or "Maturity Date"]
- **Interest Rate:** [Insert Rate, e.g., 0%]

Payment Terms:

The Deferred Amount listed above does not require monthly principal or interest payments at this time. However, the full amount of $[Insert Amount] will become due and payable in one single lump sum (the "Balloon Payment") upon the earliest of the following events:

1. The maturity date of your loan;
2. The sale or transfer of the property;
3. The payoff or refinancing of your mortgage.

Please keep this document with your permanent loan records. All other terms and conditions of your original Note and Security Instrument remain in full force and effect, except as modified by this agreement.

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

Sincerely,

[Insert Name/Signature]
[Insert Title]
[Insert Company Name]