[Date]

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

RE: Confirmation of Hardship Modification and Balloon Payment Agreement
Account Number: [Your Loan Number]

Dear [Borrower Name],

This letter serves as formal confirmation that your request for a loan modification due to financial hardship has been approved and processed. Based on the terms of our agreement, your mortgage has been restructured to assist with your current financial situation.

Modified Loan Terms:

- Effective Date of Modification: [Date]
- New Monthly Principal and Interest Payment: $[Amount]
- Interest Rate: [Percentage]%

Balloon Payment Disclosure:

As part of this hardship modification, a portion of your principal balance in the amount of **$[Amount]** has been deferred. Please be advised of the following regarding this non-interest-bearing balance:

- This amount is due in full as a "Balloon Payment" upon the maturity date of your loan, which is [Maturity Date].
- This amount also becomes immediately due and payable if you sell the property, transfer the title, or refinance the mortgage.
- This deferred portion does not accrue interest, but it must be repaid to satisfy the lien on the property.

By continuing to make the new monthly payments, you acknowledge and agree to the deferred balloon payment terms outlined above. All other terms of your original Note and Security Instrument stay in effect unless specifically amended by the Modification Agreement.

If you have any questions regarding this confirmation or the terms of your balloon payment, please contact our Loss Mitigation Department at [Phone Number] between [Hours of Operation].

Sincerely,

[Name of Contact Person/Department]
[Lender/Servicer Name]