Date: [Insert Date]

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

Subject: Confirmation of Balloon Payment Agreement

Dear [Borrower Name],

This letter serves as formal confirmation of the balloon payment terms associated with your loan agreement dated [Original Loan Date] for the account ending in [Last 4 Digits of Account Number].

As per our agreement, your loan includes a final "balloon payment" that is significantly larger than your regular monthly installments. Please find the specific details regarding this payment below:

- **Final Payment Amount:** $[Amount]
- **Due Date:** [Date]
- **Regular Monthly Installment:** $[Amount]
- **Total Number of Installments:** [Number]

Please be advised that this final payment must be received in full by the due date mentioned above. Failure to make this payment may result in late fees, default interest rates, or legal action as outlined in your original promissory note.

If you anticipate any difficulty in making this payment, we encourage you to contact our office at [Phone Number] at least [Number] days prior to the due date to discuss potential refinancing options or repayment schedules.

Please retain this letter for your records. If you have any questions regarding these terms, please contact us at [Email Address] or [Phone Number].

Sincerely,

[Your Name/Representative Name]
[Company Name]
[Title]