

# Interest-Only Loan Terms Outline

Date: [Insert Date]

To: [Borrower's Name]

[Borrower's Address]

From: [Lender's Name]

[Lender's Address]

## **Subject: Interest-Only Loan Terms**

Dear [Borrower's Name],

We are pleased to outline the terms of the interest-only loan as discussed:

### **Loan Amount:**

[Insert Loan Amount]

### **Interest Rate:**

[Insert Interest Rate]% Fixed/Variable

### **Loan Term:**

[Insert Loan Term] months/years

### **Interest-Only Period:**

[Insert Duration of Interest-Only Period]

### **Monthly Payments During Interest-Only Period:**

[Insert Monthly Payment Amount]

### **End of Interest-Only Period:**

After the interest-only period, monthly payments will adjust to include both principal and interest.

### **Prepayment Penalty:**

[Yes/No, Insert Details if Applicable]

**Required Documentation:**

[List of Documents Required]

Please review the above terms and let us know if you have any questions or require further clarification.

Looking forward to your approval.

Sincerely,

[Your Name]

[Your Position]

[Lender's Company Name]

[Contact Information]