

DATE: [Date]

BORROWER: [Borrower Name]

ADDRESS: [Borrower Address]

RE: Commitment Letter for Construction Commercial Real Estate Loan

Dear [Borrower Name],

[Lender Name] ("Lender") is pleased to inform you that your application for a construction commercial real estate loan has been approved subject to the following terms and conditions:

1. LOAN TERMS

- **Loan Amount:** \$[Amount]
- **Loan Purpose:** Construction of [Project Description] located at [Property Address].
- **Interest Rate:** [Rate]% per annum (Fixed/Variable).
- **Loan Term:** [Number] months.
- **Repayment:** [Interest only during construction / Principal and Interest].

2. COLLATERAL AND SECURITY

The loan will be secured by a first-priority mortgage or deed of trust on the property located at [Property Address], including all improvements, fixtures, and assignments of rents and leases.

3. DISBURSEMENT OF FUNDS

Funds will be disbursed in accordance with an approved Draw Schedule based on the percentage of completion, verified by inspections conducted by Lender's designated inspector.

4. CONDITIONS TO CLOSING

This commitment is subject to the satisfaction of the following conditions prior to closing:

- Receipt of an acceptable MAI appraisal.
- Satisfactory environmental site assessment (Phase I).
- Finalized construction budget, plans, and specifications.
- Executed construction contract with a bonded general contractor.
- Evidence of required builder's risk and liability insurance.
- Clean title report and ALTA title insurance policy.

5. FEES

The Borrower agrees to pay an origination fee of [Amount/Percentage] and all third-party costs, including appraisal, legal, and inspection fees.

6. EXPIRATION

This commitment letter will expire on [Date] unless signed and returned to the Lender with the required commitment fee of \$[Amount].

Sincerely,

[Authorized Signatory Name]

[Title]

[Lender Name]

ACCEPTANCE:

The undersigned Borrower hereby accepts the terms and conditions of this Commitment Letter.

[Borrower Name/Authorized Signatory]

Date: _____