

JOINT VENTURE CONSTRUCTION FINANCING COMMITMENT LETTER

Date: [Insert Date]

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

To: [Joint Venture Name / Partnership Name]
Attn: [Contact Person Name]
[Borrower Address]
[City, State, Zip Code]

RE: Commitment for Construction Financing - Project: [Project Name]

Dear [Contact Person Name],

We are pleased to inform you that [Lender Name] ("Lender") has approved your request for construction financing for the development located at [Project Address] (the "Project"). This commitment is issued to [Joint Venture Name] ("Borrower"), a joint venture between [Partner A] and [Partner B].

The terms and conditions of this commitment are as follows:

- **Loan Amount:** Maximum principal amount of \$[Amount in Figures] ([Amount in Words]).
- **Loan Purpose:** To fund the hard and soft costs associated with the construction of [Description of Project].
- **Interest Rate:** [Percentage]% per annum, adjusted [Monthly/Quarterly] based on [Index, e.g., SOFR/Prime].
- **Loan Term:** [Number] months, with a [Number]-month extension option subject to conditions.
- **Collateral:** First priority mortgage/deed of trust on the Project property and assignment of all construction contracts, permits, and plans.
- **Guarantees:** Joint and several completion guarantees and carve-out guarantees provided by [Name of Guarantors].
- **Equity Requirement:** Borrower shall provide a minimum cash equity contribution of \$[Amount] prior to the first disbursement of loan proceeds.

Conditions Precedent to Closing:

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

1. Final approval of construction budget, plans, and specifications.
2. Execution of a formal Joint Venture Agreement satisfactory to the Lender.
3. Receipt of a clean Phase I Environmental Site Assessment.

4. Obtainment of all necessary building permits and zoning approvals.
5. Issuance of a Title Insurance Policy and appropriate Builder's Risk Insurance.

Fees: A commitment fee of \$[Amount] is payable upon the acceptance of this letter.

Expiration: This commitment shall expire unless signed and returned to the Lender by [Expiration Date].

Sincerely,

[Signature]

[Name of Authorized Officer]

[Title]

[Lender Name]

ACCEPTANCE:

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

For: [Joint Venture Name]

By: [Signature of Authorized Signatory]

Name: [Printed Name]

Date: [Date of Acceptance]