

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

[Date]

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

RE: Commitment Letter for Mezzanine Construction Financing

Dear [Borrower Name],

[Lender Name] ("Lender") is pleased to advise you that it has approved your request for a mezzanine construction loan (the "Loan") for the development of the project located at [Project Address/Legal Description] (the "Project"). This commitment is subject to the following terms and conditions:

- **Loan Amount:** Up to \$[Amount in Figures] ([Amount in Words]).
- **Purpose:** To provide mezzanine capital for the construction and development of the Project, subordinate to the senior construction mortgage.
- **Interest Rate:** [Rate]% per annum, [Fixed/Floating].
- **Term:** [Number] months, coinciding with the maturity of the Senior Loan.
- **Collateral:** A first priority pledge of 100% of the equity interests in the entity owning the Project.
- **Repayment:** [Describe repayment terms, e.g., Interest only during construction, balloon at maturity].
- **Fees:** An origination fee of [Percentage]% shall be due at closing.

Conditions Precedent to Closing:

1. Execution of a Mezzanine Loan Agreement and associated Pledge Agreements.
2. Execution of an Intercreditor Agreement with the Senior Lender.
3. Review and approval of final construction budget, plans, and specifications.
4. Delivery of an updated Title Insurance policy with appropriate endorsements.
5. Satisfactory completion of all environmental and engineering due diligence.
6. Evidence of required equity contribution from the Borrower.

This commitment shall expire if not accepted by the Borrower in writing by [Expiration Date]. Closing must occur on or before [Closing Deadline].

Sincerely,

[Signature]
[Name of Authorized Officer]
[Title]

ACCEPTED AND AGREED TO:

By: _____
Name: [Borrower Authorized Signatory]
Title: [Title]
Date: _____