

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

[Date]

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

RE: Commitment Letter for Subordinated Warehouse Line of Credit

Dear [Borrower Contact Name],

[Lender Name] ("Lender") is pleased to advise you that it has approved your request for a Subordinated Warehouse Line of Credit ("Facility") subject to the following terms and conditions:

- 1. Borrower:** [Full Legal Name of Borrower]
- 2. Facility Amount:** A maximum principal amount of up to \$[Amount].
- 3. Purpose:** To provide secondary financing for the [acquisition/origination] of [Type of Assets, e.g., residential mortgages] prior to their sale to secondary market investors.
- 4. Interest Rate:** The outstanding principal balance shall bear interest at [Rate, e.g., LIBOR/SOFR + Margin %] per annum.
- 5. Maturity Date:** [Date], unless extended by mutual written agreement.
- 6. Subordination:** This Facility is expressly subordinated in right of payment to the Borrower's Senior Warehouse Facility with [Senior Lender Name]. The terms of subordination shall be governed by a separate Subordination and Intercreditor Agreement.
- 7. Collateral:** A secondary perfected security interest in all assets financed under this Facility, including but not limited to [Description of Collateral].
- 8. Fees:** A non-refundable commitment fee of \$[Amount] shall be payable upon acceptance of this letter.
- 9. Covenants:** Borrower shall maintain [Financial Covenants, e.g., Minimum Net Worth, Liquidity Ratios] as defined in the definitive loan documents.
- 10. Closing Conditions:** This commitment is subject to the execution of definitive legal documentation, satisfactory due diligence, and the delivery of a Subordination Agreement executed by the Senior Lender.

This commitment will expire on [Expiry Date] if not accepted by the Borrower in writing by such date.

Sincerely,

[Signature]

[Name and Title of Lender Representative]

Acceptance:

The undersigned Borrower hereby accepts the terms and conditions set forth in this Commitment Letter.

By: _____

Name: [Authorized Signatory Name]

Title: [Title]

Date: [Date]