

**[Date]**

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

**Re: Firm Commitment for Mezzanine Financing**

Dear [Borrower Contact Name],

[Lender Name] ("Lender") is pleased to confirm its firm commitment to provide mezzanine financing to [Borrower Name] ("Borrower") in connection with [Project Name/Acquisition]. This commitment is subject to the terms and conditions outlined below:

- 1. Facility Amount:** A mezzanine loan in the principal amount of \$[Amount].
- 2. Interest Rate:** The loan shall bear interest at a rate of [Percentage]% per annum, consisting of [Percentage]% cash interest and [Percentage]% PIK (Payment-in-Kind) interest.
- 3. Maturity Date:** The loan will mature on [Date], or [Number] months from the date of closing.
- 4. Collateral/Security:** The loan will be secured by a pledge of 100% of the equity interests in [Specific Subsidiary/Entity Name]. This financing shall be subordinate to the senior debt provided by [Senior Lender Name].
- 5. Use of Proceeds:** The proceeds shall be used solely for [Purpose, e.g., the acquisition of Asset X or working capital].
- 6. Conditions Precedent:** This commitment is subject to the following:
  - Execution of definitive loan documentation satisfactory to the Lender.
  - Final approval of the Intercreditor Agreement by the Senior Lender.
  - No material adverse change in the financial condition of the Borrower.
  - Completion of final confirmatory due diligence.
- 7. Fees:** A commitment fee of \$[Amount] shall be payable upon the execution of this letter. An origination fee of [Percentage]% shall be paid at closing.
- 8. Expiration:** This commitment will expire if not accepted by the Borrower in writing by [Time] on [Date]. Closing must occur on or before [Closing Deadline Date].

Please indicate your acceptance of these terms by signing below.

Sincerely,

[Signature]

[Name of Authorized Signatory]

[Title]

[Lender Name]

**Accepted and Agreed:**

\_\_\_\_\_

For [Borrower Name]

Date: \_\_\_\_\_