

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

[Date]

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

RE: SBA 7(a) Loan Commitment Letter - Franchise Development

Dear [Borrower Name],

[Lender Name] is pleased to advise you that your application for a small business loan has been approved, subject to the terms and conditions outlined in this commitment letter and the requirements of the U.S. Small Business Administration (SBA).

1. LOAN TERMS

- **Loan Amount:** \$[Amount]
- **Loan Type:** SBA 7(a) Loan Program
- **Interest Rate:** [Rate]% (Variable/Fixed)
- **Term:** [Number] Years
- **Repayment:** Monthly principal and interest payments.

2. USE OF PROCEEDS

The proceeds of this loan are to be used exclusively for the development of the [Franchise Name] location at [Project Address], including but not limited to: franchise fees, leasehold improvements, equipment purchases, and working capital.

3. COLLATERAL

The loan will be secured by a first priority lien on the following:

- All business assets (Furniture, Fixtures, and Equipment).
- Personal Guarantee of [Guarantor Names].
- [Additional Collateral/Real Estate if applicable].

4. CONDITIONS PRECEDENT TO CLOSING

This commitment is subject to the following conditions:

- Final SBA approval and issuance of an SBA Authorization Number.
- Execution of a valid Franchise Agreement with [Franchisor Name].
- Evidence of injection of equity in the amount of \$[Amount].

- Proof of required insurance (General Liability, Workers Comp, Life Insurance).
- Review and approval of the final lease agreement for the business premises.

5. EXPIRATION

This commitment letter will expire on [Expiration Date] unless accepted in writing by the Borrower and all required fees are paid by said date.

Sincerely,

[Signature]

[Name of Loan Officer]

[Title]

[Lender Name]

ACCEPTANCE

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

[Borrower Name], Individually and as [Title]

Date: _____