

**[Lending Institution Name]**

[Address]

[City, State, Zip Code]

[Phone Number]

[Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

## **RE: Loan Commitment Letter**

Dear [Borrower Name],

[Lending Institution Name] ("Lender") is pleased to inform you that your application for a commercial agricultural real estate loan has been approved subject to the terms and conditions outlined below.

### **1. LOAN DETAILS**

- **Borrower:** [Name of Individual or Entity]
- **Loan Amount:** \$[Amount]
- **Purpose:** [Description, e.g., Purchase of Farm Land/Refinancing]
- **Collateral:** [Legal Description or Address of Farm Property]
- **Interest Rate:** [Rate]% (Fixed/Variable)
- **Term:** [Number of Months/Years]
- **Amortization:** [Number of Years]
- **Repayment Schedule:** [Monthly/Quarterly/Annual] payments

### **2. FEES AND COSTS**

- **Origination Fee:** \$[Amount]
- **Appraisal Fee:** \$[Amount]
- **Closing Costs:** To be paid by Borrower at time of closing.

### **3. CONDITIONS PRECEDENT TO CLOSING**

This commitment is contingent upon the following:

- Satisfactory appraisal confirming a Loan-to-Value (LTV) ratio of [Percentage]%.  
• Satisfactory environmental site assessment (Phase I).  
• Clear title insurance policy and current land survey.  
• Proof of property and liability insurance naming Lender as Loss Payee.  
• Verification of current agricultural production and financial statements.

#### **4. EXPIRATION OF COMMITMENT**

This commitment will expire if not accepted in writing by [Date] and if the loan is not closed on or before [Closing Deadline Date].

#### **5. ACCEPTANCE**

To accept this commitment, please sign and return a copy of this letter along with the commitment fee of \$[Amount] by [Date].

Sincerely,

[Signature]

[Printed Name]

[Title]

[Lending Institution Name]

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#### **BORROWER ACCEPTANCE:**

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

\_\_\_\_\_  
[Borrower Name/Authorized Signatory]

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