

[Lending Institution Name]

[Address Line 1]

[City, State, Zip Code]

[Phone Number]

Date: [Date]

Borrower: [Name of Business/Borrower]

Franchise Name: [Name of Franchise System]

SBA Loan Program: [e.g., 7(a) or 504]

Subject: Conditional Approval of SBA Franchise Financing

Dear [Borrower Name],

We are pleased to inform you that [Lending Institution Name] has approved your request for a Small Business Administration (SBA) guaranteed loan for the acquisition and operation of your [Franchise Name] location.

Loan Terms and Details:

- **Loan Amount:** \$[Amount]
- **Interest Rate:** [Rate]% (Floating/Fixed)
- **Repayment Term:** [Number] years
- **Collateral:** [Description of Assets/Security]

This approval is subject to the following conditions:

1. Execution of the standard SBA Authorization and Loan Agreement.
2. Verification of the Franchise Agreement and SBA Franchise Directory eligibility.
3. Proof of required equity injection of \$[Amount].
4. Completion of satisfactory [Appraisal/Environmental Reports/Site Visits].
5. Proof of insurance coverage including [General Liability/Life Insurance/Property].

This commitment is valid until [Expiration Date]. Please sign and return a copy of this letter to indicate your acceptance of these terms.

Congratulations on this milestone for your new franchise venture. We look forward to working with you toward a successful closing.

Sincerely,

[Signature]

[Name of Loan Officer]

[Title]

[Lending Institution Name]

Acknowledgment and Acceptance:

I/We accept the terms and conditions outlined in this letter.

[Borrower Name]

Date: _____