

[Lending Institution Name]  
[Address]  
[City, State, Zip Code]  
[Phone Number]

[Date]

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

**RE: Approval of Owner-Builder Construction Loan**

Loan Number: [Loan Number]  
Property Address: [Construction Site Address]

Dear [Borrower Name],

We are pleased to inform you that your application for an Owner-Builder Construction Loan has been approved. This approval is based on the plans, specifications, and budget submitted for the project located at [Property Address].

The terms of your loan approval are as follows:

- **Loan Amount:** \$[Amount]
- **Interest Rate:** [Rate]%
- **Construction Term:** [Number of Months] months
- **Loan-to-Value (LTV):** [Percentage]%

This approval is subject to the following conditions being met prior to the close of escrow:

1. Verification of all owner-builder permits and local building department approvals.
2. Submission of a final cost breakdown and construction schedule.
3. Acceptance of the builder's risk insurance policy.
4. Satisfactory final appraisal based on "as-completed" value.
5. Execution of the Construction Loan Agreement and Disbursement Schedule.

Funds will be released in accordance with the agreed-upon draw schedule following inspections of completed work stages. Please note that as an owner-builder, you are responsible for managing all subcontractors and ensuring all work meets local building codes.

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

Sincerely,

[Loan Officer Name]

[Title]

[Lending Institution Name]

**Acknowledgment:**

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[Borrower Signature] [Date]