Date: [Date]

To: [Borrower Name(s)]
Property Address: [Property Address, if applicable]

Subject: LETTER OF PRE-QUALIFICATION FOR RENOVATION FINANCING

Dear [Borrower Name],

Based on a preliminary review of the financial information provided, [Lending Institution Name] is pleased to confirm that you are pre-qualified for a renovation loan (e.g., FHA 203(k) / Fannie Mae Homestyle) under the following terms:

- **Maximum Total Loan Amount:** $[Amount]
- **Estimated Renovation Budget:** $[Amount]
- **Loan Program:** [Program Type]
- **Interest Rate:** [Rate]% (Subject to market fluctuations)
- **Down Payment Required:** [Percentage]%

This pre-qualification is based on your current credit profile, stated income, and assets. It is intended to reflect your borrowing capacity for both the purchase (or refinance) and the subsequent repairs/improvements of a property.

Please note that this letter is not a formal commitment to lend. Final approval is subject to the following conditions:

- Submission of a fully executed sales contract.
- Verification of all financial documentation (paystubs, taxes, bank statements).
- Approval of the contractor and a detailed Work Write-Up/Bid.
- A satisfactory appraisal reflecting the "As-Completed" value of the property.
- No material change in your financial condition or credit score.

This pre-qualification is valid until [Expiration Date]. We look forward to working with you on your home renovation project.

Sincerely,

[Loan Officer Name]
[Title]
[NMLS Number]
[Lending Institution Name]
[Phone Number]