

[Lender Name/Logo]

[Lender Address]

[City, State, Zip Code]

[Phone Number]

[Date]

RE: LETTER OF PRE-APPROVAL FOR FINANCING

To Whom It May Concern,

This letter serves as formal pre-approval for **[Borrower Name/Entity Name]** (the "Borrower") for the acquisition and renovation of the multi-family property located at **[Property Address/Project Name]**.

Based on our preliminary review of the Borrower's financial statements, credit history, and experience with value-add real estate projects, we have approved a loan facility under the following indicative terms:

- **Maximum Loan Amount:** \$[Amount]
- **Loan-to-Cost (LTC):** Up to [Percentage]%
- **Loan-to-Value (LTV):** Up to [Percentage]% of As-Stabilized Value
- **Facility Type:** Bridge Loan / Construction-to-Permanent
- **Renovation Holdback:** \$[Amount] allocated for capital expenditures
- **Term:** [Number] months

This pre-approval is specifically tailored for a value-add strategy, acknowledging the Borrower's intent to increase the Net Operating Income (NOI) through physical improvements and operational efficiencies. We have factored in the projected post-renovation rents and stabilized occupancy rates into our evaluation.

Final funding is subject to a formal appraisal, environmental reports, clear title, and a final review of the fully executed purchase agreement and detailed renovation budget.

This letter is valid until [Expiration Date]. We look forward to a successful closing.

Sincerely,

[Signature]

[Name of Loan Officer]

[Title]

[Lending Institution Name]