

[Date]

[Borrower Name]

[Borrower Address]

[City, State, Zip Code]

Re: Conditional Approval for Loan Application #[Loan Number]

Dear [Borrower Name],

We are pleased to inform you that your loan application has been conditionally approved. However, final funding is subject to the completion and execution of a Lien Subordination Agreement regarding the property located at [Property Address].

To move forward with the final approval process, the following items must be addressed:

- The existing lien holder, [Name of Junior/Senior Lender], must agree to subordinate their interest to [Your Company Name].
- A formal Subordination Agreement must be signed, notarized, and returned to our office.
- The agreement must be recorded with the [County/Local Authority] Land Records.

Please note that this letter is not a final commitment to lend. All other standard closing conditions, including but not limited to credit verification and property appraisal updates, must continue to be met. This conditional approval will expire on [Expiration Date].

If you have any questions regarding the subordination process, please contact your loan officer at [Phone Number] or [Email Address].

Sincerely,

[Signature]

[Name of Loan Officer]

[Company Name]