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**Date:** [Date]

**Borrower(s):** [Borrower Name(s)]

**Property Address:** [Property Address, Unit #, City, State, Zip]

**Loan Amount:** \$[Amount]

**Loan Program:** Investment Property - Non-Warrantable Condominium

Dear [Borrower Name],

We are pleased to inform you that your mortgage application for the investment property listed above has been **Conditionally Approved**. This approval is based on a preliminary review of your creditworthiness and the subject property type.

Because this property is classified as a **Non-Warrantable Condominium**, final approval is subject to the satisfaction of the following conditions:

- **Full Appraisal Report:** Completion of a satisfactory interior/exterior appraisal.
- **HOA Questionnaire:** Receipt and review of a completed project-specific Non-Warrantable Condominium Questionnaire.
- **HOA Financials:** Review of the current year's budget, including proof of adequate replacement reserves (typically 10%).
- **Insurance:** Evidence of master insurance policy, including walls-in (HO-6) coverage and flood insurance if applicable.
- **Litigation Review:** Verification that the Homeowners Association is not involved in any active structural or construction defect litigation.
- **Concentration Limits:** Verification that no single entity owns more than the allowable percentage of units in the project.
- **Income Verification:** Final verification of rental income via executed lease agreements or appraisal Form 1007.
- **Liquid Reserves:** Proof of [Number] months of verified cash reserves as required by the program guidelines.
- **Title Search:** A clear preliminary title report with no prohibited encumbrances.

This conditional approval is not a commitment to lend. The interest rate and terms are not locked unless a formal rate lock agreement has been executed. This letter is subject to change if there are any material changes to your financial position or if the property fails to meet project-specific safety or viability standards.

Please provide the outstanding documentation by [Date] to ensure a timely closing.

Sincerely,

[Loan Officer Name]

[Lending Institution Name]

[NMLS Number]  
[Contact Information]