

**Date:** [Date]

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

**Property Address:** [Full Property Address]

**Loan Number:** [Loan Number]

# **CONDITIONAL APPROVAL LETTER**

## **(Non-Warrantable Condominium - Primary Residence)**

Dear [Borrower Names],

We are pleased to inform you that your mortgage application for the purchase of the above-referenced property has been conditionally approved. This approval is based on the purchase of a non-warrantable condominium to be used as your primary residence.

### **Loan Terms:**

- Loan Amount: \$[Amount]
- Loan Program: [Program Name]
- Interest Rate: [Rate]%
- Down Payment: [Percentage]%

This approval is subject to the satisfactory completion of the following conditions:

### **Project/Condo Conditions:**

- Full review and approval of the Homeowners Association (HOA) Questionnaire.
- Review of the project's current year budget and reserve study.
- Evidence of adequate master insurance policy including walls-in coverage (HO-6).
- Verification that no single entity owns more than [Percentage]% of the units.
- Legal review of the project's CC&Rs and Bylaws.

### **Borrower Conditions:**

- Verification of current employment and year-to-date income.
- Updated bank statements for all accounts used for closing funds.
- Satisfactory appraisal report showing a value of at least \$[Purchase Price].
- Clear title report and proof of hazard insurance.
- Signed letter of explanation regarding the non-warrantable status of the project.

This conditional approval is not a commitment to lend. This letter will expire on [Expiration Date]. All conditions must be met to the satisfaction of the underwriter prior to the issuance of a final "Clear to Close."

Sincerely,

[Loan Officer Name]

[Company Name]

[Phone Number]

[NMLS ID]