Conditional Approval Letter: Conventional Construction-to-Permanent Loan

Date: [Date]

Borrower Name(s): [Borrower Name(s)]
Property Address: [Property Address/Legal Description]
Loan Number: [Loan Number]

Dear [Borrower Name(s)],

Congratulations. Your application for a Conventional Construction-to-Permanent mortgage loan has been conditionally approved based on the following terms:

- **Loan Amount:** $[Amount]
- **Loan Program:** Conventional Construction-to-Perm
- **Interest Rate:** [Rate]%
- **Estimated Term:** [Number] months construction / [Number] years permanent

This approval is subject to the satisfaction of the following conditions prior to closing:

1. Credit and Income Conditions

- Verification of updated paystubs for the last 30 days.
- Most recent two months of bank statements for all accounts.
- Explanation of any new credit inquiries or debts.

2. Project and Builder Conditions

- Fully executed fixed-price construction contract.
- Final plans and specifications reviewed and approved by the bank.
- Validation of Builder's credentials, insurance, and license.
- A "Subject to Completion" appraisal confirming the Fair Market Value.

3. Property and Title Conditions

- Preliminary Title Report showing no unauthorized liens.
- Evidence of Builder's Risk and Hazard Insurance.
- Required local building permits.

This letter is not a final commitment to lend. Final approval is subject to a satisfactory review of all requested documentation and no material change in your financial condition.

Sincerely,

[Loan Officer Name]
[Lending Institution Name]
[Contact Information]