

[Lender Name]
[Lender Address]
[City, State, Zip Code]
[Phone Number]

Date: [Date]

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

CONDITIONAL APPROVAL LETTER

Dear [Borrower Name],

Congratulations. Your application for a Fannie Mae HomeStyle® Renovation mortgage has been conditionally approved based on the information provided. Final approval is subject to the satisfactory completion and review of the following conditions:

1. General Mortgage Conditions

- Updated pay stubs for the most recent 30-day period.
- Verification of earnest money deposit and source of funds for down payment.
- Satisfactory credit refresh prior to closing.
- Proof of homeowners insurance policy including renovation coverage/builder's risk.

2. HomeStyle Renovation Specific Conditions

- **Appraisal:** Receipt of a "Subject to Completion" appraisal confirming the After-Improved Value.
- **Contractor Documentation:** Submission of the Contractor's License, Insurance, W-9, and executed Contractor Profile.
- **Renovation Contract:** A signed contract between the Borrower and Contractor detailing the scope of work.
- **Detailed Cost Estimates:** A line-item breakdown of labor and material costs.
- **Construction Schedule:** Timeline showing work will begin within 30 days and be completed within 12 months.
- **HUD Consultant (if applicable):** Receipt of the Work Write-Up and Draw Schedule.

This conditional approval is not a commitment to lend. All documents must be reviewed and approved by our underwriting department. This approval is subject to no material change in your financial condition or credit history.

Please submit the requested documentation by [Date] to ensure a timely closing.

Sincerely,

[Loan Officer Name]

[Title]

[NMLS Number]