[Date]

[Borrower Name]
[Borrower Address]
[City, State, Zip Code]

RE: Conditional Approval of Loan Application #[Loan Number]

Dear [Borrower Name],

We are pleased to inform you that your application for a [Loan Type] has been conditionally approved in the amount of $[Amount].

This approval is subject to several conditions, most notably the **Subordination of your existing secondary financing**. To proceed with the closing of this loan, the following requirements regarding your [Existing Lender Name] lien must be met:

- The existing junior lienholder must execute a formal Subordination Agreement, agreeing to remain in a secondary position to our new first mortgage.
- We must receive and review a copy of the current Subordination Agreement terms and any associated fees from your secondary lender.
- [Insert other specific condition, e.g., Appraisal update or Income verification].

Please contact your secondary lienholder immediately to initiate the subordination process. Delays in receiving this document will result in a delay of your scheduled closing date.

This conditional approval is not a commitment to lend. Final approval is subject to the satisfactory review of the subordination documents and the fulfillment of all other outstanding underwriting conditions.

If you have any questions, please contact your Loan Officer at [Phone Number] or [Email Address].

Sincerely,

[Officer Name]
[Title]
[Lending Institution Name]