[Lender Letterhead]

Date: [Date]

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

RE: Conditional Approval Notice

Dear [Borrower Name],

We are pleased to inform you that your application for a mortgage loan regarding the investment property listed above has been **conditionally approved**. This approval is based on our review of your creditworthiness and the financial information provided to date.

This approval is subject to the following primary condition regarding existing liens:

Subordination Requirement:
This approval is strictly contingent upon the successful **subordination** of the existing [Type of Lien, e.g., Second Mortgage/HELOC] held by [Name of Junior Lienholder]. [Lender Name] must be in a confirmed first-lien position. A formal Subordination Agreement must be executed by the junior lienholder and recorded prior to or at the time of closing.

Additional Conditions:

- Receipt and review of a satisfactory appraisal confirming a value of at least $[Amount].
- Verification of a signed lease agreement for the subject property.
- Evidence of sufficient cash reserves as required for investment property guidelines.
- Proof of [Property/Hazard] Insurance naming [Lender Name] as Loss Payee.
- Final verbal verification of employment and credit refresh prior to closing.

Please note that this letter is not a commitment to lend. Final approval is subject to the satisfactory review of all requested documentation and the fulfillment of the subordination requirement. This conditional approval will expire on [Expiration Date].

If you have any questions regarding the subordination process or these conditions, please contact your Loan Officer.

Sincerely,

[Name of Underwriter/Loan Officer]
[Title]
[Lender Name]