Date: [Current Date]

Borrower Name: [Borrower Name]
Property Address: [Property Address]
Loan Number: [Loan Number]

Subject: Conditional Approval Notice - Subordination Required

Dear [Borrower Name],

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

Final approval and funding are subject to the satisfaction of several conditions. Most importantly, this approval is contingent upon the **successful subordination** of your existing second mortgage or Home Equity Line of Credit (HELOC) held by [Second Lien Holder Name].

Conditions for Final Approval:

- A formal Subordination Agreement must be executed by your junior lien holder, ensuring our new mortgage remains in the first-lien position.
- Verification of current homeowners insurance policy reflecting the new loan information.
- Satisfactory review of a final credit report prior to closing.
- [Insert Additional Condition 1]
- [Insert Additional Condition 2]

Please note that this letter is not a commitment to lend. The terms and conditions listed above must be met to the satisfaction of [Lending Institution Name] before final loan documents can be issued.

If you have any questions regarding the subordination process or other outstanding items, please contact your Loan Officer at [Phone Number] or [Email Address].

Sincerely,

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