[Date]

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

RE: Primary Lender Subordination Request and Conditional Approval

Dear **[Borrower/Junior Lender Name]**,

This letter serves as formal notice regarding the request for **[Primary Lender Name]** to subordinate its existing lien position to a new primary mortgage in the amount of **$[Refinance Amount]** provided by **[New Lender Name]**.

Based on our preliminary review of the documentation provided, **[Primary Lender Name]** grants **conditional approval** for this subordination request, subject to the following terms and conditions:

- The total combined loan-to-value (CLTV) ratio must not exceed **[Percentage]%**.
- The borrower may not receive any cash-out proceeds from the refinance transaction, except for standard closing costs.
- The new primary mortgage must have a fixed interest rate or a standard adjustable rate not exceeding **[Rate]%**.
- Receipt and approval of a final HUD-1 or Closing Disclosure prior to execution.
- Payment of a subordination processing fee in the amount of **$[Amount]**.

This conditional approval is valid until **[Expiration Date]**. Final approval and the execution of the formal Subordination Agreement are contingent upon the verification of all final loan documents and the satisfaction of the requirements listed above.

Please submit the final closing package to the Subordination Department at **[Email/Mailing Address]** for final execution.

Sincerely,

[Authorized Signatory Name]
[Title]
[Primary Lender Name]