Date: [Current Date]

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

Subject: NOTICE OF RATE LOCK AND CONDITIONAL APPROVAL SUBJECT TO SUBORDINATION

Dear [Borrower Name],

We are pleased to inform you that your mortgage loan application has received **Conditional Approval**. This approval is subject to the terms and conditions outlined below, including the successful subordination of your existing secondary financing.

1. Rate Lock Information

Your interest rate has been locked as follows:

- Interest Rate: [0.00]%
- Lock Expiration Date: [Date]
- Loan Program: [Program Name]
- Loan Amount: $[Amount]

2. Condition: Subordination Agreement

This approval is strictly contingent upon the receipt and review of an executed **Subordination Agreement** from your current secondary lien holder ([Name of Junior Lender]).

It is the responsibility of the borrower to ensure that the junior lien holder agrees to remain in a subordinate position to the new first mortgage. We must receive the formal subordination package no later than [Number] days prior to the requested closing date.

3. Additional Conditions

Final approval and funding are also subject to the following:

- Verification of [e.g., employment/income]
- Satisfactory appraisal update, if applicable.
- Clear title report showing no unexpected liens.
- Receipt of a valid homeowners insurance policy.

Please note that if the subordination agreement is not received prior to the Rate Lock Expiration Date, your locked interest rate may expire, and a rate extension fee or re-price may occur.

Should you have any questions regarding these requirements, please contact your Loan Officer at [Phone Number] or [Email Address].

Sincerely,

[Loan Officer Name]
[Company Name]
[NMLS Number]