

[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 mortgage application for the property located at [Property Address] has been conditionally approved.

This approval is subject to the satisfaction of several conditions. Most importantly, our assessment indicates that the property is located in a Special Flood Hazard Area (SFHA). Therefore, federal law requires that flood insurance be obtained as a condition of closing your loan.

To proceed with your application, please provide proof of a flood insurance policy that meets the following requirements:

- The policy must be issued by a provider participating in the National Flood Insurance Program (NFIP) or a private insurer meeting statutory requirements.
- The coverage amount must be at least equal to the lesser of: the outstanding principal balance of the loan, the maximum amount available under the NFIP, or the full insurable value of the property.
- [Lender Name] must be listed as the Loss Payee/Mortgagee.

Please submit the Declarations Page of your flood insurance policy to your loan officer by [Deadline Date]. Failure to provide evidence of adequate flood insurance will prevent the final approval and funding of your loan.

If you have any questions regarding this requirement, please contact [Loan Officer Name] at [Phone Number] or [Email Address].

Sincerely,

[Name of Loan Officer/Underwriter]

[Lender Name]

[Lender Address]