

DATE: [Insert Date]

BORROWER: [Insert Borrower Name]

ADDRESS: [Insert Borrower Address]

RE: Ground Up Construction Loan Commitment

Project Address: [Insert Project Site Address]

Dear [Insert Borrower Name],

We are pleased to inform you that [Insert Lender Name] ("Lender") has approved your request for a ground-up construction loan. This commitment is subject to the following terms and conditions:

- **Loan Amount:** \$[Insert Amount]
- **Interest Rate:** [Insert %] (Fixed/Variable)
- **Loan Term:** [Insert Number] Months
- **Loan-to-Cost (LTC):** [Insert %]
- **Loan-to-Value (LTV):** [Insert %] (As-Completed)
- **Repayment:** Interest-only payments due monthly.

Conditions to Closing:

- Final approval of construction budget, plans, and specifications.
- Review and approval of General Contractor and construction contract.
- Valid building permits and governmental approvals.
- Satisfactory appraisal and environmental reports.
- Proof of Builder's Risk and Liability insurance.
- Title insurance policy and priority lien position.

Disbursement Schedule:

Funds will be disbursed in draws based on a percentage of completion, verified by an inspector designated by the Lender.

Expiration:

This commitment letter will expire on [Insert Expiration Date] if not signed and returned to the Lender.

Sincerely,

[Authorized Signature]

[Insert Name and Title]

[Insert Lender Name]

Acceptance:

The undersigned Borrower hereby accepts the terms of this commitment letter.

[Borrower Signature]

Date: _____