

**Date:** [Insert Date]

[Lender Name/Company]

[Address]

[City, State, Zip Code]

**RE: Commitment Letter for New Construction Investment Property**

**Borrower:** [Borrower Name]

**Property Address:** [Insert Legal Description or Address]

**Loan Amount:** \$[Insert Amount]

Dear [Borrower Name],

We are pleased to inform you that [Lender Name] has approved your application for a construction-to-permanent investment loan for the property located at [Property Address]. This commitment is subject to the following terms and conditions:

- **Loan Type:** [Fixed/Adjustable] Investment Property Construction Loan
- **Interest Rate:** [Insert %] (Subject to lock-in agreement)
- **Construction Term:** [Insert Number] months
- **Permanent Term:** [Insert Number] years
- **Loan-to-Value (LTV):** [Insert %] of the appraised completed value

**Required Conditions for Closing:**

1. Receipt of final executed construction contract with [Builder Name].
2. Approval of final plans, specifications, and line-item budget.
3. Satisfactory appraisal confirming "as-completed" value.
4. Evidence of Builder's Risk Insurance and General Liability coverage.
5. Clean title report and valid building permits from local municipalities.
6. Verification of required cash reserves for interest carry and contingencies.

The construction funds will be disbursed via a standard draw schedule based on inspections of completed work milestones. No funds will be released for materials not yet installed without prior written consent.

This commitment expires on [Insert Expiration Date]. Please sign and return a copy of this letter by [Insert Return Date] to indicate your acceptance of these terms.

Sincerely,

[Authorized Signature]

[Name and Title]

[Lender Name]

**Acceptance:**

I/We hereby accept the terms of this Commitment Letter.

\_\_\_\_\_  
[Borrower Signature]

Date: \_\_\_\_\_