

Date: [Insert Date]

Loan Number: [Insert Loan Number]

Property Address: [Insert Property Address]

To: [Borrower Name(s)]

Subject: Notice of Conversion from Construction Phase to Permanent Rate Lock

Dear [Borrower Name(s)],

This letter serves as formal notification regarding the conversion of your construction loan to the permanent financing phase. Based on the current stage of construction and the terms of your agreement, we have executed the rate lock for your permanent mortgage.

Final Rate Lock Details:

- Permanent Interest Rate: [Insert Rate]%
- Rate Lock Expiration Date: [Insert Date]
- Estimated First Payment Date: [Insert Date]
- Principal and Interest Amount: \$[Insert Amount]

Please note that this rate lock is contingent upon the final inspection and the issuance of a Certificate of Occupancy (CO) by the local municipality on or before the expiration date noted above. If construction is not completed by this date, a rate lock extension may be required, which could incur additional fees.

Next Steps:

1. Review the attached updated Loan Estimate.
2. Provide the final homeowner's insurance policy reflecting the completed structure.
3. Schedule the final appraisal inspection through your loan officer.

If you have any questions regarding your fixed rate or the conversion process, please contact your Mortgage Consultant at [Insert Phone Number] or [Insert Email Address].

Sincerely,

[Lender Name]

[Department Name]