

Sample Commitment Letter

Date

Name

Address

City

Dear _____:

This letter is to advise you that your loan application to the _____
Revolving Loan Fund has been approved subject to the following terms:

Loan Amount \$ _____
Interest Rate _____ %
Amortization Term _____ years
Origination Fee _____
Annual Administration Fee _____

This approval is subject to the following terms and conditions:

1. Type In any conditions of the loan from approval sheet such as
 - a. Verification of other funding necessary to complete the project.
 - b. Satisfactory Appraisal of the subject property with a value of at least \$ _____.
 - c. "personal guarantees of _____"
2. Loan Approval from USDA (if applicable)
3. The following documentation is required prior to closing: (Delete those that don't apply)
 - a. Corporate Authorization to Borrow authorizing appropriate officers to sign on behalf of the corporation.
 - b. Satisfactory abstract and title opinion (if real estate)
 - c. Satisfactory Lien Search (if equipment)
 - d. Evidence of Environmental Clearance from USDA. (not required on revolved funds)
4. Execution of all required loan documents (Delete those that don't apply)
 - a. Opinion Letter from borrower's attorney
 - b. Promissory Note
 - c. Mortgage/UCC 1
 - d. Loan Agreement
 - e. Construction Agreement
 - f. Assurance Agreement
5. Payment of out of pocket expenses at closing.
6. Proof of Adequate Insurance with _____ listed as loss payee.

Please sign and return one copy of this letter indicating your acceptance of these terms.

Sincerely,

XXXXXXXXXX

We _____, hereby agree to and accept the terms of this loan offered in this commitment letter.

_____(Print Name /Title)