

[Date]

[Applicant Name]

[Business Name]

[Address]

[City, State, Zip Code]

RE: Notice of Action Taken - Loan Application #[Application Number]

Dear [Applicant Name],

Thank you for applying for a commercial loan with [Lending Institution Name]. After carefully reviewing your application and the supporting documentation provided for [Requested Loan Amount], we regret to inform you that we are unable to approve your request at this time.

Our decision was based on the following factor(s):

- [Reason 1: e.g., Insufficient debt service coverage ratio]
- [Reason 2: e.g., Inadequate collateral value]
- [Reason 3: e.g., Excessive leverage or debt-to-income]
- [Reason 4: e.g., Limited time in business]

Disclosure of Use of Information Obtained from an Outside Source

In evaluating your application, we [did / did not] use information from a consumer reporting agency. If we did, the agency was:

[Credit Reporting Agency Name]

[Agency Address]

[Agency Phone Number]

The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied your credit request. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency and to dispute the accuracy or completeness of any information in the report.

Equal Credit Opportunity Act Notice

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is [Name and Address of Relevant Regulatory Agency].

We appreciate the opportunity to consider your financing needs and wish you success in your business endeavors.

Sincerely,

[Officer Name]

[Officer Title]

[Lending Institution Name]