

Date: [Date]

[Borrower Name]
[Co-Borrower Name]
[Address]
[City, State, Zip Code]

Subject: Notice of Action Taken Regarding Loan Application #[Application Number]

Dear [Borrower Name] and [Co-Borrower Name],

Thank you for your recent application for a mortgage loan. We have completed our review of your request for a loan in the amount of \$[Loan Amount]. Regrettably, we are unable to approve your application at this time.

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

- **Insufficient Income of Co-Borrower:** The verified income provided for [Co-Borrower Name] does not meet the minimum requirements necessary to support the requested loan amount when combined with the primary borrower's income and existing debt obligations.
- **Debt-to-Income Ratio:** Based on the combined total household income, the projected monthly housing expenses and other debts exceed the maximum allowable ratio.

If you believe there is additional income information that was not considered, or if there are other factors you would like us to review, please contact your loan officer.

Notice Under the Equal Credit Opportunity Act:

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 of Regulatory Agency, Address, City, State, Zip].

If you have any questions regarding this notice, please contact:

[Loan Officer Name]
[Lending Institution Name]
[Phone Number]
[Email Address]

Sincerely,

[Name of Authorized Representative]

[Title]

[Lending Institution Name]