

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

Subject: Loan Application Status - [Application Number]

Dear [Applicant Name],

Thank you for your recent application to refinance your vehicle with [Lending Institution Name]. After careful review of your request regarding your [Year, Make, Model], we regret to inform you that we are unable to approve your application at this time.

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

Inadequate Collateral Value (Appraisal): The current market value of your vehicle, as determined by our appraisal process, does not meet the required loan-to-value (LTV) ratio for the requested loan amount. Specifically, the outstanding balance or requested loan amount exceeds the percentage of the vehicle's appraised value that we are permitted to finance.

The valuation was determined using [Name of Valuation Source, e.g., NADA, Kelley Blue Book, or Internal Inspection].

If you believe there are errors regarding the vehicle's condition, mileage, or features used in this appraisal, or if you wish to provide additional information, please contact us at [Phone Number].

Thank you for the opportunity to consider your credit request.

Sincerely,

[Name/Department]

[Lending Institution Name]