

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

Re: Loan Application Number: [Application Number]

Dear [Applicant Name],

Thank you for your recent application for a secured auto loan. After reviewing your request and the details of the proposed collateral, we regret to inform you that we are unable to approve your loan at this time.

Our decision was based on a **Collateral Value Shortfall**. Specifically:

- The requested loan amount exceeds our maximum allowable Loan-to-Value (LTV) ratio.
- The appraised value or purchase price of the vehicle is insufficient to secure the total debt requested.
- [Optional: The vehicle does not meet our internal age or mileage requirements for the requested term.]

If you can provide a larger down payment to reduce the loan amount, or if you choose a different vehicle with a higher valuation relative to the price, we would be happy to reconsider your application.

Notice of Rights:

Our credit decision was based in whole or in part on information obtained in a report from the consumer reporting agency listed below:

[Agency Name]

[Agency Address]

[Agency Phone Number]

Under the Fair Credit Reporting Act, you have the right to obtain a free copy of your credit report from this agency if you request it within 60 days of receiving this notice. You also have the right to dispute the accuracy or completeness of any information in the report.

Thank you for the opportunity to review your financing needs.

Sincerely,

[Loan Officer Name/Department]

[Financial Institution Name]