

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

Subject: Notice of Action Taken Regarding Your Credit Application

Dear [Applicant Name],

Thank you for your recent application for [Type of Loan/Credit]. After careful review of your application and the supporting documentation provided, we regret to inform you that we are unable to approve your request at this time.

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

- **Insufficient Equity:** The current value of the collateral offered (property/asset) compared to the requested loan amount does not meet our minimum equity requirements.

If you have additional information that you believe would substantially change our assessment, such as a recent independent appraisal or proof of improvements made to the asset, you may submit it for further consideration.

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 and Address of Relevant Regulatory Agency].

Sincerely,

[Name of Loan Officer/Underwriter]

[Financial Institution Name]

[Phone Number]