Date: [Date]

Applicant Name: [Applicant Name]
Co-Applicant Name: [Co-Applicant Name]
Property Address: [Property Address]

Subject: Notice of Action Taken and Statement of Reasons

Dear [Applicant Name],

Thank you for your recent application for a construction loan. We have completed our review of your request. Unfortunately, at this time, we are unable to approve your application for the following reason(s):

- **Builder Capacity Mismatch:** Based on our review of the selected builder's current workload, financial statements, and/or staffing levels, it has been determined that the builder does not currently possess the capacity to complete this project within the required timeframe or budget parameters.

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

[Insert Agency Name]
[Insert Agency Address]
[Insert Agency Phone Number]

You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency. You also have a right to a free copy of your report from the reporting agency, if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you receive is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.

If you have any questions regarding this notice, you should contact us at:

[Lender Name]
[Lender Address]
[Lender Phone Number]

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 [Insert Regulatory Agency Name and Address].

Sincerely,

[Loan Officer Name]
[Lender Name]