[Date]

[Applicant Name]
[Applicant Address]
[City, State, Zip Code]

RE: Notice of Adverse Action - Loan Application #[Reference Number]

Dear [Applicant Name],

Thank you for your recent application for a construction loan regarding the project located at [Property Address]. After a thorough review of your application and the associated project documentation, we regret to inform you that we are unable to approve your request at this time.

Our decision is based on the following factor(s):

- **Builder Financial Instability:** Based on our review of the designated builder's financial statements, credit history, or operational standing, the builder does not currently meet our institution's risk requirements for project completion bonding or financial solvency.

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

[Name of Credit Bureau]
[Address]
[Toll-free Telephone Number]

Please note that the reporting agency played no part in our decision and is unable to supply specific reasons why we have denied your credit. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency and to dispute the accuracy or completeness of any information in the report.

You may also choose to re-submit your loan application if you select an alternative builder who meets our institutional lending criteria.

Sincerely,

[Name of Loan Officer/Underwriter]
[Financial Institution Name]
[Contact Information]