

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

Subject: Notice of Decision Regarding Agricultural Equipment Loan Application

Dear [Applicant Name],

Thank you for submitting your application for an agricultural equipment loan to [Lending Institution Name]. We have carefully reviewed your financial documentation and the projected harvest data provided.

After a thorough evaluation, we regret to inform you that we are unable to approve your loan request at this time. Our decision is based on the following reason(s):

Insufficient Crop Return: Based on current market prices and your historical yield data, the projected net income from your upcoming crop cycles does not meet the minimum debt-service coverage ratio required to support the requested equipment financing.

Our analysis suggests that the current projected returns may not provide sufficient cash flow to cover both existing operational expenses and the additional debt obligations of this new equipment loan.

If you believe there is additional information regarding future contracts, crop insurance, or alternative revenue streams that we have not considered, we would be willing to review your application again in the next fiscal quarter.

We appreciate your interest in our services and wish you a successful growing season.

Sincerely,

[Name of Loan Officer]

[Title]

[Lending Institution Name]