

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

Subject: Loan Refinance Application - [Loan Application Number]

Dear [Applicant Name],

Thank you for your interest in refinancing your loan with [Financial Institution Name]. We have carefully reviewed your application and the supporting documentation provided.

Regrettably, we are unable to approve your request for refinancing at this time. Our decision is based on the following reason:

**Insufficient Collateral Value:** The current appraised value of the asset offered as security for the loan does not meet our required loan-to-value (LTV) ratio. Based on our assessment, the equity available in the collateral is insufficient to support the requested loan amount.

If you believe there has been an error in the valuation of your property or if you have additional assets that could be used as collateral, please contact us to discuss a potential re-evaluation.

We appreciate the opportunity to consider your application. If you have any questions regarding this notice, please contact our loan department at [Phone Number] or [Email Address].

Sincerely,

[Name of Loan Officer/Underwriter]

[Title]

[Financial Institution Name]