

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

RE: Refinance Application for [Property Address]

Dear [Applicant Name],

Thank you for choosing [Financial Institution Name] for your mortgage refinancing needs. We have completed the review of your application for the property located at the address mentioned above.

Regrettably, we are unable to approve your request for refinancing at this time. Our decision is based on the independent property appraisal report dated [Appraisal Date], which determined the current market value of your property to be \$[Appraised Value].

This valuation results in a Loan-to-Value (LTV) ratio that exceeds our maximum lending requirements for this specific loan program. Because the appraised value is lower than the amount required to secure the requested loan terms, an appraisal shortfall exists.

Under the Equal Credit Opportunity Act, you have the right to a copy of the appraisal report used in connection with your application. A copy of this report [is enclosed / will be sent to you separately].

If you believe there are factual errors in the appraisal report or if you wish to discuss alternative options-such as a lower loan amount or a cash-in refinance-please contact your Loan Officer, [Officer Name], at [Phone Number] or [Email Address].

We appreciate the opportunity to have reviewed your application.

Sincerely,

[Signature]

[Name of Sender]

[Title]

[Financial Institution Name]