

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

Subject: Regarding Your Personal Loan Application

Dear [Applicant Name],

Thank you for applying for an unsecured personal loan with [Lending Institution Name]. We have carefully reviewed your application and the information provided.

Regrettably, we are unable to approve your request for a loan at this time. Our decision was based on the following reason(s):

- **High monthly debt obligations:** Your current monthly debt payments are too high in relation to your reported income.

Our credit policy requires that an applicant's debt-to-income ratio stays within a specific limit to ensure that new loan payments remain manageable. Based on your current financial profile, adding this new loan would exceed our established guidelines.

If your financial circumstances change-for example, if you pay down existing balances or increase your income-we encourage you to reapply in the future.

If you have any questions regarding this notice, you may contact our loan processing department at [Phone Number].

Sincerely,

[Name/Department]

[Lending Institution Name]