

**Date:** [Date]

**Applicant Name:** [Applicant Name]

**Address:** [Applicant Address]

**City, State, Zip:** [City, State, Zip]

**Subject: Notice of Action Taken Regarding Your Loan Application**

Dear [Applicant Name],

Thank you for your recent application for a [Type of Loan, e.g., Mortgage Loan] for the property located at [Property Address]. We have reviewed your application and regret to inform you that we are unable to approve your request at this time for the following reason(s):

- **Value or type of collateral not sufficient:** The appraised value of the property is lower than the amount required to support the requested loan-to-value ratio.

The appraisal was performed by [Name of Appraisal Company] on [Date of Appraisal]. The appraised value was determined to be \$[Appraised Amount].

**Your Right to a Copy of the Appraisal**

We have enclosed a copy of the appraisal report for your records. If it is not enclosed, you have the right to receive a copy of the appraisal report used in connection with your application. If you have not already received a copy, you may request one by contacting us at the address listed below.

**Fair Credit Reporting Act Notice**

Our decision was based in whole or in part on information obtained in a report from the consumer reporting agency listed below. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied your credit.

[Consumer Reporting Agency Name]

[Address]

[Toll-free Telephone Number]

**Equal Credit Opportunity Act Notice**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is:

[Name of Regulatory Agency]  
[Address]  
[City, State, Zip]

Sincerely,

[Loan Officer Name]  
[Lending Institution Name]  
[Phone Number]