

[Date]

[Applicant Name]
[Applicant Address]
[City, State, Zip Code]

Re: Loan Application Number: [Application Number]

Dear [Applicant Name],

Thank you for choosing [Lender Name] for your mortgage financing needs. We have completed the review of your application for a mortgage loan regarding the property located at [Property Address].

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

Collateral: Insufficient Property Appraisal Value

The independent appraisal report dated [Appraisal Date] estimated the market value of the property to be \$[Appraised Value]. This value is lower than the purchase price or the amount required to meet our loan-to-value (LTV) guidelines for the requested loan amount.

Under the Equal Credit Opportunity Act, you have the right to a copy of the appraisal report used in connection with your application. If you have not already received a copy, please contact us and we will provide one to you.

Our credit decision was based on the property valuation and not on your personal credit score or financial history. If you believe there are factual errors in the appraisal report or if you wish to provide additional comparable sales for our consideration, please contact your loan officer.

Thank you for the opportunity to consider your application.

Sincerely,

[Officer Name]
[Title]
[Lender Name]