

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

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] in the amount of \$[Amount]. We have completed our review of your application and regret to inform you that we are unable to approve your request at this time.

Description of Action Taken: Denial of Credit

Principal Reason(s) for Credit Denial:

- Value or type of collateral not sufficient: The appraised value of the property located at [Property Address] is insufficient to meet the required loan-to-value (LTV) ratio for the requested loan amount.

Disclosure of Use of Information from an Outside Source:

Our decision was based in whole or in part on information obtained in an appraisal report from the following company:

[Appraisal Company Name]

[Appraisal Company Address]

[Phone Number]

You have a right to receive a copy of the appraisal report. If you have not already received a copy, you may request one by contacting us at the address listed below.

Equal Credit Opportunity Act (ECOA) 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, e.g., Consumer Financial Protection Bureau], [Agency Address].

If you have any questions regarding this notice, please contact us.

Sincerely,

[Name of Loan Officer/Department]

[Financial Institution Name]

[Financial Institution Address]

[Phone Number]