

[Date]

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

Regarding Property: [Property Address]

Dear [Applicant Name],

Thank you for your recent application for a mortgage loan. We regret to inform you that we are unable to approve your request at this time.

Your application was declined for the following reason(s) related to the property collateral:

- **Unacceptable Property Condition:** Based on the appraisal report dated [Date], the property does not meet our minimum collateral standards. Specifically: [List specific issues, e.g., structural instability, severe water damage, incomplete construction, health and safety hazards].

Our decision was based on an appraisal of the property. You have a right to a copy of the appraisal report, which we have [attached/already provided] to you.

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].

If you have any questions regarding this notice, please contact:

[Loan Officer Name]

[Lending Institution Name]

[Phone Number]

Sincerely,

[Sender Name/Signature]

[Title]