

**Date:** [Date]

**To:**

[Applicant Name]

[Applicant Address]

[City, State, Zip Code]

**Subject: Notice of Loan Action - Denial of Loan Application**

Dear [Applicant Name],

Thank you for your recent application for a loan regarding the property located at: **[Property Address]**.

After a thorough review of your application and the associated property reports, we regret to inform you that we are unable to approve your loan request at this time.

The primary reason for this denial is: **Unresolved Property Title Defects.**

Specifically, our title examination revealed the following issues that remain outstanding:

- [Description of defect 1, e.g., Unpaid tax lien]
- [Description of defect 2, e.g., Undisclosed easement or encumbrance]
- [Description of defect 3, e.g., Gap in chain of title]

Since clear and marketable title is a requirement for our lending criteria, we cannot proceed until these matters are fully resolved and insured without exception.

If you are able to clear these title defects in the future, we would be happy to reconsider your application. You may also contact your title company or legal counsel to discuss methods for remedying these findings.

If you have any questions regarding this decision, please contact [Loan Officer Name] at [Phone Number] or [Email Address].

Sincerely,

[Your Name/Signature]

[Title]

[Financial Institution Name]