

**Date:** [Insert Date]

**Applicant Name:** [Applicant Name]

**Applicant Address:** [Applicant Address]

Dear [Applicant Name],

Thank you for your interest in obtaining a home loan with [Lender Name]. We have carefully reviewed your application dated [Application Date]. After a comprehensive evaluation of your submitted information and supporting documents, we regret to inform you that we are unable to approve your home loan request at this time.

The primary reasons for the denial of your application are as follows:

- **Insufficient Credit History:** Our review of your credit report indicates a limited or insufficient credit history. This makes it difficult to assess your ability to manage and repay debts over time.
- **Inadequate Income Verification:** The documents provided did not adequately verify your current income level or employment status. Verified, consistent income is necessary to establish your repayment capacity.
- **High Debt-to-Income Ratio:** The ratio of your existing monthly debt obligations to your gross monthly income exceeds our program guidelines, indicating a higher risk of potential repayment challenges.
- **Property Appraisal Issues:** The appraisal of the property identified concerns, such as the value being lower than the purchase price or certain conditions that do not meet our lending requirements.

If you have questions regarding this decision or believe there are additional circumstances or documentation we should consider, please contact our office at [Lender Contact Information] within 60 days. We are happy to discuss your options and provide further clarification.

We encourage you to review your current financial situation and consider the following steps to improve your eligibility for future loan applications:

- Build your credit history by regularly using and repaying credit accounts.
- Maintain thorough and updated records of your income and employment.
- Lower your debt burdens before reapplying for a home loan.
- Choose properties that meet both your needs and our appraisal guidelines.

Thank you again for considering [Lender Name] for your home loan needs. We appreciate your interest and encourage you to reapply in the future as your financial situation improves.

Sincerely,

[Loan Officer Name]

[Title]

[Lender Name]

[Lender Contact Information]