

Adverse Action Explanation for Loan Application

Date: [Insert Date]

[Applicant's Name]

[Applicant's Address]

[City, State, Zip Code]

Dear [Applicant's Name],

We regret to inform you that your application for a loan with [Lender's Name] has been denied. This decision is based on the evaluation of your creditworthiness and other factors related to your financial situation.

The specific reasons for this adverse action include:

- Insufficient credit history
- High debt-to-income ratio
- Negative credit report items

You have the right to obtain a free credit report from the credit reporting agency we used in making our decision. This report will help you understand the factors that contributed to our decision.

If you have further questions regarding this decision, please do not hesitate to contact us at [Contact Phone Number] or [Contact Email]. We appreciate your interest in [Lender's Name] and encourage you to consider reapplying in the future.

Sincerely,

[Your Name]

[Your Title]

[Lender's Name]

[Lender's Address]

[City, State, Zip Code]