

## Home Equity Loan Denial - Professional

Subject: Home Equity Loan Application Decision - [Reference Number]

Dear [Homeowner Name],

Thank you for your application for a home equity loan in the amount of [Amount]. We have completed our review process, including property appraisal and financial verification.

We regret to inform you that we cannot approve your loan request at this time. Our decision is based on the following factors: current loan-to-value ratio exceeds our maximum threshold of 80%, recent decline in local property values, and existing mortgage payment history showing occasional late payments.

The current appraised value of your property at [Address] is [Amount], which, combined with your existing mortgage balance, does not provide sufficient equity for the requested loan amount.

We recommend monitoring local property values and consider reapplying once additional equity is established through principal payments or market appreciation.

Sincerely,

[Home Lending Specialist]

[Bank Name]

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