

[Date]

[Borrower Name]
[Property Address]
[City, State, Zip Code]

Subject: Approval of Mortgage Interest Rate Reduction - Account #[Loan Number]

Dear [Borrower Name],

We are pleased to inform you that your request for a mortgage interest rate reduction has been approved. Following a review of your account and current market conditions, we have modified the terms of your existing loan.

The updated details of your mortgage are as follows:

- **Previous Interest Rate:** [Old Rate]%
- **New Interest Rate:** [New Rate]%
- **Effective Date:** [Date]
- **New Monthly Payment (Principal & Interest):** \$[Amount]

Please note that this adjustment applies specifically to the interest rate. Your obligations regarding property taxes, homeowners insurance, and other escrow items remains unchanged unless otherwise notified.

Attached to this letter is the formal Loan Modification Agreement. Please sign and return the document by [Deadline Date] to ensure the new rate is applied to your next billing cycle.

If you have any questions, please contact our Mortgage Servicing Department at [Phone Number] or via email at [Email Address].

Sincerely,

[Name of Representative]
[Title]
[Lending Institution Name]