[Date]

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

Subject: Acknowledgement of Float-Down Rate Request

Dear [Borrower Name],

This letter is to formally acknowledge that we have received your request to exercise the "float-down" option on your mortgage interest rate for Loan Number: [Loan Number].

We are currently reviewing your request to ensure it meets the eligibility criteria established in your initial lock-in agreement. Our team will verify the following:

- Current market rate availability.
- The status of your loan application and appraisal.
- Compliance with the specific timeframes required for a float-down execution.

Please note that a float-down option typically allows for a one-time reduction of your locked interest rate if market rates decrease by a specific margin before your closing date. If approved, a new Rate Lock Confirmation will be issued to you reflecting the adjusted rate and any applicable fees.

You can expect to receive a formal decision or a request for additional information within [Number] business days.

Thank you for choosing [Lender Name]. If you have any questions, please contact your Loan Officer at [Phone Number] or [Email Address].

Sincerely,

[Loan Officer Name]
[Lender Name]
[Department]