

[Date]

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

Re: Notice of Denial for Loan Amount Float-Down Request

Loan Number: [Loan Number]  
Property Address: [Property Address]

Dear [Borrower Name],

Thank you for your recent request to adjust your loan amount and exercise a rate "float-down" option in connection with your current mortgage application.

After reviewing your request and the current market conditions, we regret to inform you that we are unable to approve the float-down of your interest rate at this time. This decision was based on the following reason(s):

- The current market interest rate does not meet the minimum required percentage drop as defined in your lock-in agreement.
- The change in the requested loan amount has altered the loan-to-value (LTV) ratio beyond the eligibility threshold for the requested pricing.
- Your current rate lock period has expired or is nearing expiration, making it ineligible for further adjustments.
- The requested loan amount change requires a full re-underwriting process that does not support the new rate requested.

Please note that your original locked interest rate of [Locked Rate]% remains valid until [Lock Expiration Date], provided there are no further material changes to your application or financial status.

If you have any questions regarding this decision or would like to discuss other available options, please contact your Loan Officer at [Loan Officer Phone Number] or via email at [Loan Officer Email Address].

Sincerely,

[Name of Sender]  
[Title]  
[Company Name]