

[Company Name]
[Company Address]
[City, State, Zip Code]
[Date]

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

Re: Loan Application Number: [Loan Number]

Dear [Borrower Name],

Thank you for your recent request to exercise the "float-down" option on your mortgage interest rate lock for the property located at [Property Address].

After reviewing your file, we regret to inform you that we are unable to approve your request for a lower interest rate at this time. This decision was based on the following reason(s):

- **Expired Rate Lock Period:** Your original rate lock agreement expired on [Expiration Date]. According to the terms of your agreement, float-down options must be exercised while the lock is still active and valid.
- **Market Requirements:** Current market rates have not reached the required threshold defined in your lock agreement to trigger a float-down adjustment.
- **Processing Status:** Your loan has progressed to a stage where the rate can no longer be modified without impacting your scheduled closing date.

As a result, your loan will proceed at the previously locked interest rate of [Original Locked Rate]%, provided that all other closing conditions are met and the loan closes by [New Expiration/Closing Date].

If you have any questions regarding this notification or wish to discuss other options that may be available to you, please contact your Loan Officer at [Phone Number] or [Email Address].

Sincerely,

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