

Date: [Date]

Loan Number: [Loan Number]

Borrower Name: [Borrower Name]

Property Address: [Property Address]

## Notice of Float-Down Request Status: Denial

Dear [Borrower Name],

Thank you for your recent request to exercise the "float-down" option on your locked interest rate for the mortgage application referenced above.

After reviewing the current market conditions and the terms of your lock-in agreement, we regret to inform you that we are unable to lower your interest rate at this time. Your request has been denied for the following reason:

**Minimum Rate Drop Threshold Unmet:** According to the terms of your float-down agreement, a reduction in the interest rate is only permitted if the current market rate drops by at least [Percentage, e.g., 0.25%] below your original locked rate. As of [Date of Review], the current market rate has not met this minimum required decrease.

Please note that your original locked interest rate of [Original Rate]% remains in effect and is valid until your lock expiration date of [Expiration Date]. All other terms and conditions of your initial rate lock agreement remain unchanged.

If you have any questions regarding this decision or your loan application, please contact your Loan Officer at [Phone Number] or via email at [Email Address].

Sincerely,

[Lender Name]

[Mortgage Department]