

[Date]

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

Re: Loan Application Number: [Loan Number]
Property Address: [Subject Property Address]

Dear [Borrower Name],

Thank you for your interest in our mortgage float-down option to lower your current locked interest rate. We have carefully reviewed your request for a rate reduction on the property mentioned above.

At this time, we regret to inform you that we are unable to approve your float-down request. This decision was based on the following reason:

Unapproved Property Type: The property type associated with your loan application (e.g., [Insert Property Type, such as Condotels, Mixed-Use, or Non-Warrantable Condo]) does not meet the eligibility requirements for our float-down program.

Please note that this denial applies only to the interest rate float-down request. Your original rate lock at [Original Locked Rate]% remains valid and in effect until [Lock Expiration Date], provided all other loan conditions are met.

If you have any questions regarding this decision or wish to discuss the current status of your loan, please contact your Loan Officer at [Loan Officer Phone Number] or [Loan Officer Email].

Sincerely,

[Sender Name]
[Company Name]
[Contact Information]