

# Affordability Guidance for Borrowers

Date: [Insert Date]

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

Dear [Borrower's Name],

We are writing to provide you with guidance regarding your affordability when considering borrowing options for your future financial commitments.

As part of the assessment process, we encourage you to consider the following:

- **Understanding Your Income:** Calculate your total monthly income, including all sources.
- **Evaluating Your Expenses:** List all monthly expenses to determine your net disposable income.
- **Debt-to-Income Ratio:** Keep this ratio below [Insert Percentage]% to ensure you can manage new loan payments.
- **Emergency Savings:** Aim to save at least 3 to 6 months' worth of living expenses.
- **Loan Terms:** Review different loan options and their respective interest rates and terms.

We recommend you take time to review these points carefully as you consider your options. Should you have any questions or require further assistance, please do not hesitate to contact us.

Sincerely,

[Your Name]  
[Your Title]  
[Your Company]  
[Your Contact Information]