

Variable-Rate Loan Adjustment Explanation

Date: [Insert Date]

Dear [Borrower's Name],

We hope this message finds you well. Following our recent review of your variable-rate loan, we would like to explain the upcoming adjustments to your interest rate.

Your current interest rate is set to [Current Rate]%. Based on the latest market analysis and the performance of benchmark rates, your new interest rate will be [New Rate]% effective from [Effective Date]. This adjustment reflects [brief reason for the adjustment, e.g., market fluctuations, central bank rates].

The monthly payment on your loan will consequently change and is now estimated to be [New Payment Amount]. Enclosed you will find a detailed breakdown of your loan adjustment and payment schedule.

If you have any questions or need further assistance, please do not hesitate to reach out to our customer support team at [Phone Number] or [Email Address]. We appreciate your trust in us and look forward to serving you.

Sincerely,

[Your Name]

[Your Position]

[Company Name]

[Contact Information]