

# Multi-Purpose Loan Usage Description

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Date]

[Lender's Name]

[Lender's Address]

[City, State, Zip Code]

## **Subject: Multi-Purpose Loan Usage Description for Debt Consolidation**

Dear [Lender's Name],

I am writing to provide information regarding my intended use of the funds from the multi-purpose loan I am applying for. The main purpose of this loan is to consolidate my existing debts, which will enable me to manage my finances more effectively and reduce my overall monthly payments.

Currently, I have multiple outstanding debts, including:

- Credit card debt totaling [amount]
- Personal loans totaling [amount]
- Other miscellaneous debts totaling [amount]

By obtaining this loan, I plan to pay off these debts in full, resulting in a single monthly payment, lower interest rates, and improved cash flow. This will not only help me maintain a better credit score but also provide me with a clearer path towards financial stability.

Thank you for considering my application. I appreciate your support as I work towards consolidating my debts and achieving my financial goals.

Sincerely,

[Your Name]