

1. Make a list of the items you think you would like to acquire and how much they cost; distinguish between those you really need and those you would like to have; try to attach some priorities to your list.
2. Review your present financial situation. Take particular note of your spending patterns. Are you over-extending yourself financially? Are you now in a situation where the total monthly payment on your debts is cutting into your very basic needs?
3. Work out a budget for your income and expenses at the post, keeping in mind that your spending pattern may differ from that in Ottawa. For example, you may spend more on vacations to take advantage of the place of your assignment. Remember to include allowances, salary equalization and to eliminate any income that will stop coming in when you leave your present location. (Remember Salary Equalization is not constant.) Make provision for savings, emergencies and expenses not covered by the FSDs.
4. Determine how much income is left over for allocation to repayment of a loan. Based on that, it is possible to figure out roughly how much of a loan you can afford.