



Adverse Credit Top Tips

If you have been turned down – you are not alone it is said 25 per cent of applications are rejected because of a bad credit history or insufficient credit score. Reasons for rejection include the following,

- **County Court Judgements (CCJ's)**
- **Mortgage Arrears**
- **Repossession**
- **Bankruptcy**
- **Late payments and Defaults**
- **Not being on the electoral roll**
- **No proof of income**
- **None permanent residency in the UK**

Don't keep applying for credit – every time you apply for a mortgage the lender will carry out a credit search with one of the credit reference agencies such as Experian or Equifax. These companies hold information about your past and present financial commitments and whether payments have been made on time. Each time a search is carried out the information is recorded and too many searches can effect your credit score.

Apply for your credit record - if you are unsure as to why you are being turned down then applying for your credit file will allow you to view the same information lenders are looking at when making their lending decision. If there is information held about you or someone you are no longer associated with that you feel is incorrect, you may be able to ask for the information to be corrected.

Experian - the quickest way to obtain your record is by logging onto www.experian.co.uk, alternatively call 0870 241 6212 or write to;

Experian,
Consumer Help Service,
PO Box 8000,
Nottingham,
NG80 7WF

Equifax - log onto www.myequifax.co.uk
Alternatively call 0870 0100 583 or write to;

Equifax
Credit File Advance Centre,
PO Box 1140,
Bradford
BD1 5US

Alternatively click onto www.checkmyfile.com

Non Standard Lenders- fortunately there are now a growing number of lenders that will look on applications sympathetically. These are quite often lenders belonging to mainstream operations such as Halifax, Bradford & Bingley Britannia etc. So there really isn't the need these days to obtain credit from an unknown source. Remember that residential mortgages are now regulated by the Financial Services Authority and the terms and conditions must be clearly laid out. Ask for a Key Facts Illustration before making any decisions to proceed.

Use a Mortgage Broker-such as Bentley Ash they will be able to take your specific circumstances into account and by carefully selecting the right lenders for you based on criteria, should still be able to secure you a competitive deal. Beware of mortgage brokers who exploit your need to obtain a mortgage at any cost by charging you extortionate fees. Bentley Ash do not charge any fees regardless of your circumstances.

Bare in mind-lenders will deem any application on non standard terms as higher risk, however many lenders now grade such applications as Prime, Near Prime, Light, Medium and Heavy Adverse. As such there is no need for you to pay a higher interest rate than you need to.

Deposit- it is unlikely if you have an adverse credit record that any lender will lend you 100% of the value of the property. Generally you will require a minimum of 10% deposit and possibly more if your circumstances are more severe.

Review- most non-standard lenders will take you on with view to getting you back on track with a cheaper mainstream product in the future provided you keep up your monthly mortgage payments and do not have any further problems. A good mortgage broker such as Bentley Ash will review your circumstances on a regular basis to ensure you have the very best product based on your circumstances.

If you would like to see how a Bentley Ash advisor can help you? call free 0800 634 5373

**THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME
YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS
ON YOUR MORTGAGE**

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