

## *Tips on what credit considers as reason for decline*

- 1) Unpays / RD's on your bank statements
- 2) Unauthorised overdrafts - This is normally an indication of cash flow problems.
- 3) When there are too many enquiries showing on your credit profile. Did you know that everytime you apply for credit, a credit check is done, which will result in your general credit score coming down everytime. Be selective in who you allow to do credit checks on your name, it could be detrimental.
- 4) Payment profile showing regular late payments of accounts - Credits argument is that if you don't have responsibility to service your short term debt, on or before the due date, you will most likely not service the bond payment timeously either
- 5) Judgement, default or money written off showing on your credit profile
- 6) Short term debt repayments, exceeding 50% of your gross income
- 7) When the new bond repayment exceeds 30% of your gross income
- 8) When there is not sufficient disposable income left to service the loan
- 9) When your employment contract states you are still on probation - your employer has to confirm that you are employed permanently and if you are a contract worker, your contract will be required and each contract will be accessed individually by credit
- 10) When your employer's Cipro Fees are not up to date, resulting in the company being deregistered
- 11) When you are self-employed and cannot provide 2 -3 years signed financial statement
- 12) When you are self-employed and the income stated on your financials does not tie up with the money showing in your bank statements - if you have a cash business you need to bank the cash. Credit cannot use cash earnings
- 13) When the nett income stated on your payslip can not be verified in your bank statements
- 14) When the income stated on the latest IT 34 does not correspond with the income shown on your proof of income
- 15) Are you a serial micro borrower? If you borrow every month the bank might get an idea you are struggling monthly and don't know how to conduct your finances. If it is necessary to borrow rather take a larger loan and pay it off over a longer term.

#Tips #Knowledge #Experience #PayneLess Bonds 087 151 4712 or 011 662 2396

