



FACT SHEET



Your Credit History

Prior to approving a loan most lenders will require a Credit History Report for each applicant.

Your credit report will detail your recent loan application history including any mortgage, leasing, personal loan or credit card applications made in the past 7 years.

When you make an application for a loan through Equitimax the lender will almost always create a new entry to your report.

DO I HAVE A BAD CREDIT HISTORY?

In some cases your credit history can be detrimental to the success of getting your loan approved. This is commonly known as a "Bad Credit Rating". This could occur for a number reasons such as:

- late payments
- bankruptcies
- loan defaults
- unpaid notices
- excessive number of recent applications

In many cases the applicant may not be aware of that they have a detrimental report. In some cases a detrimental credit history is not the fault of the borrower. Whilst rare some people have found out that someone else has obtained a fraudulent loan using their name and address. If you are concerned with your credit history let Equitimax know and we can help.

If you are aware of any possible detrimental credit history you should let Equitimax know.

WHY?

1. It may not be as bad as you think.
2. There are lenders such as Liberty Financial or Bluestone who have products available for credit impaired borrowers.

DO I HAVE A GOOD CREDIT HISTORY?

It is common for people to state that they have a "Good" Credit Rating. Some agencies will actually give you a rating based on previous payment history. This is especially in the case of business and larger companies.

WHAT DO THE LENDERS LOOK FOR?

For the purposes of getting a loan most Lenders will only take into consideration how "BAD" your rating is. If you have no defaults, no bankruptcies or no unpaid notices you will not have any problems.

For more information on your credit history ASIC provide a very helpful website:

www.fido.asic.gov.au/fido/fido.nsf/byheadline/Your+credit+report?openDocument

MYTH

"My mother said I needed to get a credit card so that I can get a good credit rating before I get a loan"

BUSTED

Mother was correct that getting a credit card will give you a credit rating, however you do not need a credit rating to get a loan.

Having NO CREDIT RATING is the same as having a GOOD Rating.

Do you want a copy of your credit history?

There are three main credit reporting agencies in Australia:

- Baycorp Advantage (biggest according to www.fido.asic.gov.au)
- Dun and Bradstreet
- Tasmanian Collection Service

Baycorp Advantage Web Site :

www.mycreditfile.com.au