

WOW Property News

Homebuyers should aim for 'healthy' credit rating



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Wannabe homebuyers have been advised to ensure that their credit rating is "as healthy as possible" in the current market.

Neil Young, chief executive of the Young Group, has stated that as lenders become more and more cautious towards who they provide money for, those with only the best credit ratings are likely to be given a mortgage.

He said: "Lenders are being more cautious than ever and prefer to lend to those with the most squeaky clean credit history. So if you're considering applying for finance such as a mortgage or secured loan, it pays to make sure that your credit report is in the best possible shape.

"The Young Group also has come up with some tips on how a person can improve their credit report.

These include cutting unnecessary credit on cards, as lenders do not prefer to lend to those with access to a lot of credit and for those with no credit history, lenders are unsure of how a person will cope, so they should take out a card, use it and meet repayments.

Independent financial expert, Alvin Hall, recently warned homeowners to be fully aware of all their outgoing payments so they can make better financial decisions.