

## A County Court Judgment Not The End Of Credit Road

Credit cards can be both a blessing and a curse for those who can't seem to utilize them correctly. Many people have credit problems occasionally and sometimes problems become so severe that judgments may be issued against them in county court. A County Court Judgment, CCJ, typically is issued by the courts when a creditor has convinced the court that money is owed on a past due debt. Even once the debt is paid off, the CCJ can remain on the credit record for up to six years. While many traditional lenders steer away from those with credit problems, there are many lenders who will authorize a CCJ remortgage in many cases.

While high risk loans are usually more costly in terms of interest rates, there are lenders who are willing to look at individual circumstances to determine if a CCJ remortgage is a possibility. Not every application for a remortgage loan with a CCJ on the record, under many circumstances they may be approved. The lender will look at how old the CCJs on the record are, when the most recent one was issued and how much they were for, for starters.

When the lender has determined there may have been special circumstances to cause the issuance of the CCJ, it will then look into a person's ability to repay the loan, along with the likelihood of making repayment as scheduled and consider the value of the property in relation to amount of the remortgage requested. There may be times that the cost of a CCJ remortgage may exceed the value of the current loan, making it financial unfeasible to make the loan, or in the borrowers view, to even request the loan.

If the borrower was not truthful on the application, such as offering an inflated income report, the loan will most likely be denied. If the home is found to have too many defects or the loan amount exceeds the appraised value of the property, the loan will probably be denied. In many cases, however a person who is honest about their past financial trouble and shows a record of being able and willing to repay the loan, a lender may be willing to take the chance of issuing a CCJ remortgage loan.

Understand there will be financial consequences in the form of higher interest rates and with a CCJ remortgage there is less time to find help if the borrower is unable to meet the repayment obligations. Foreclosure for failure to repay the loan in the contracted time frame will usually result in the borrower losing ownership of the property.

For a person with one or more recent county court judgments on their record, with no repayment history since, there is little chance of obtaining a CCJ remortgage, however if a significant amount of time has past since the most recent judgment was entered, and a record is being established of repaying obligations, there can be exceptions with a CCJ remortgage being available to many people.

### About the Author

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