

A close-up photograph of a hand holding a black car key with a silver key blade. The background is blurred, showing a person in a dark suit. The overall image is used as a background for the text.

FOX CAR LOANS

AUSTRALIA'S BEST BANK CAR LOANS

HOW TO GET YOUR

CAR LOAN APPROVED

EVEN IF YOU HAVE

BAD CREDIT

WRITTEN BY DAN FOX

AUSTRALIAN CREDIT LICENCE: 382952

HOW TO GET YOUR CAR LOAN APPROVED EVEN IF YOU HAVE BAD CREDIT

INTRODUCTION

Well, it's all about giving the lender confidence that you are going to pay back the car loan. There's many different ways you can do this and there are 5 main ways that we suggest you can prove to the finance company that you're a good risk for the car loan.

In finance, there's commonly known a rule of the 5 C's.

The 5 C's stand for Capacity, Character, Collateral, Capital and Conditions. So when looking to prove your credit worthiness to the lender, your application must cover those 5 areas. Now, to someone who is not in to finance, you might not understand at first glance what those 5 C's are so I'm going to break those down for you in this e-book and I'll even give you two ways. It should become clear to you by the end of this e-book how you can formulate your application for a car loan to overcome any concerns that the lender might have in relation to your prior bad credit.

TABLE OF CONTENTS

INTRODUCTION.....	2
ABOUT US	4
Step 1: CAPACITY	5
Step 2: CHARACTER	5
Step 3: COLLATERAL	6
Step 4: CAPITAL	6
Step 5: CONDITIONS	7
Bonus 1: BE HONEST.....	8
Bonus 2: OFFER A GUARANTOR.....	8
SUMMARY	9
OUR GUARANTEES	10
ABOUT THE AUTHOR	11



ABOUT US



Thousands of customers just like you have used Fox Car Loans to get a car loan tailored to suit them. In fact in 2006 when our company began we did it with the sole purpose of bringing the best finance deals to everyday Australians, whether you are a Doctor, a tradesman, self-employed or have bad credit, we have a huge range of loan products to suit everyone.

For more information about us, please go to www.foxcarloans.com.au

Step 1: CAPACITY



So capacity means **affordability or serviceability** - what that really means is your ability to repay the new loan that you're wanting. This step is all about proving to the broker, the bank, the finance company, the private lender whoever it may be looking at lending you money that you can afford this loan.

This is really important from both the broker and lender's perspective because they have a duty to provide responsible lending practices to their clients and to ensure that their clients can afford any loan that they may take. So in this step, what you need to do is to prove beyond a shadow of a doubt that you can afford the loan. So how do you do that? Well, there's a number of ways. Firstly, you will need to provide proof of all of your income so that maybe pay slips, bank statements, centerlink income statements, tax returns or BAS statements. And if you don't have BAS statements, etc, because your business has just started it may be a one page cash flow projection but something to show the lender that you can afford the loan. Part of being able to afford the loan is also not just looking at your income but also looking at your expenses, so it's important that you are open and honest about any debts, loans, or anything that you're paying off. It's very important that the lenders know about those debts so they can factor those in when calculating your affordability for the new loan.

Step 2: CHARACTER



Character is about proving that you have the intent to want to pay the new loan back. So if you have recent bad credit, obviously, on the scale of good and bad there are a few things on the bad side. What we need to do is put something on the good side of your scale. So how do we do that? Well, we get a **statement**; we get something to prove that you can pay regularly and on time. It might be rental of a fridge, it might

be a rental of a property where you're living, it could be a statement on a

payday loan, or be a statement for another car loan that you've got. **Anything that you can give a lender to prove that you can make regular payments on time will be really useful to prove your intent and your character.**

Step 3: COLLATERAL

COLLATERAL



Collateral or security as it is commonly referred to is about, offering the lender your car as security to protect the lender against a loss if you are unable to repay the loan. If the lender has enough collateral, or security or assets of yours that they could re-posses, sell, and recover their funds their confidence level in your repaying the debt is high. So if you're purchasing a car and you already have a car, or motorbike, boat, caravan,

jetski etc, then you may want to **offer an existing asset as additional security**, this would be seen as being favorable by many lenders and that would certainly help tick the box of collateral and security offered to the lender.

Step 4: CAPITAL



When you're purchasing a car, if you're able to **pay some deposit**, for example, 10% or maybe 20% of the purchase price, that's a big advantage and is really going to help you get the car loan because you're putting some of your blood, sweat and tears – your hard earned cash in to the transaction and making it therefore less risky for the lender. This gives the lender some additional confidence that in the event that you fall on hard times again,

you're not simply going to hand the car back and say, "Well, I'm sorry I can't pay. Here's your car back". You're most likely not going to do that if you have to put in 20% deposit because you're not going to want to lose that 20% deposit that you've put in. So having a good deposit that you've been able to save is a huge advantage to getting that car loan even if you've got bad credit.

Step 5: CONDITIONS



If you've got bad credit, you're going to get a loan that is conditioned with higher interest rates and higher fees than ideally you would want. Now, on the surface of it, having a high interest loan with high fees is not attractive to anyone. However, you can use this loan as a stepping-stone and if you pay your payments perfectly on time for 12 months, then we should be able to refinance that loan and get you a better deal in 12 months' time... It is

critically important to earn back a good credit rating and although a higher interest rate loan is not ideal it can certainly **help re-establish your good credit rating.**



Bonus 1: BE HONEST

Provide full, open, honest and transparent explanations of any bad credit that you've had in the past.

This means you need to know what bad credit you've had and it also means you must also explain honestly what happened, why it happened, how it happened and what you have done to rectify the situation since being aware of that bad credit. So really what this step is about is having **full disclosure to the lender or broker about any bad credit you've had, why it happened and what you've done to rectify that?**

Have you put a payment plan in place, have you actually paid it off in full, what have you actually done to rectify the bad credit issue? Obviously, if you paid all your defaults or if at least you got a payment plan in place, that's going to give the lender a lot of confidence that you're the kind of person that wants to do the right thing and is looking to repair your credit rating.

HOT TIP: Your Fox Car Loans bad credit finance broker can provide you a full copy of your credit file.

Bonus 2: OFFER A GUARANTOR

If you've got bad credit, maybe you're unable to provide additional security, maybe you haven't got a full explanation of all your defaults, maybe you don't have any deposit – what you could do is offer a guarantor. **A guarantor is someone well known to you preferably a family member who is employed and has a good credit rating.** We have a whole separate guarantor document that we use to explain all the details about what it means to be a guarantor and the responsibilities associated with this. However, the basic of it are, if the customer is unable to make a payment, the guarantor will make that payment. Therefore, giving the lender high level of confidence that the loan will always be paid on time.

So, those are the 5 C's of Credit (and 2 bonus ways) and a thorough explanation of how they could apply for you if you have bad credit. So no matter how bad your credit is, if you follow these steps and you talk to one of our experienced bad credit car loan brokers at Fox Car Loans we will be able to get your car loan APPROVED.

SUMMARY: HOW TO GET YOUR CAR LOAN APPROVED EVEN IF YOU HAVE BAD CREDIT

Well, it's all about giving the lender confidence that you are going to pay back the car loan. There's many different ways you can do this and there are 5 main ways that we suggest you can prove to the finance company that you're a good risk for the car loan. So when looking to prove your credit worthiness to the lender, your application must cover those 5 areas.

STEP 1: CAPACITY

So capacity means affordability or serviceability – your ability to repay the new loan that you're wanting. So think about ways you can demonstrate that you have or will have the cash flow to repay the loan.

STEP 2: CHARACTER

Character is about proving that you have the intent and want to pay the new loan back.

STEP 3: COLLATERAL

Collateral or security is offering the lender your car or other assets as security to protect the lender against a loss if you are unable to repay the loan.

STEP 4: CAPITAL

When you're purchasing a car and you're able to pay some deposit, that's a big advantage and is really going to help you get the car loan.

STEP 5: CONDITIONS

If you've got bad credit, you're going to get a loan that is conditioned with higher interest rates and higher fees than ideally you would want. The key here is to pay this loan perfectly on time & use this loan as a stepping stone to more traditional finance.

BONUS 1: PROVIDE EXPLANATIONS

Provide full, open, honest and transparent explanations of any bad credit that you've had in the past.

BONUS 2: OFFER A GUARANTOR

If you've got bad credit and you're unable to provide additional security, haven't got a full explanation of all your defaults, or you don't have any deposit - then offering a guarantor might be the solution.

So, those are the 5 C's of Credit (and 2 bonus ways) and how they could apply for you if you have bad credit. So no matter how bad your credit is, if you follow these steps and you talk to one of our experienced bad credit car loan broker at Fox Car Loans we will be able to get your car loan APPROVED.

OUR GUARANTEES

How do you know we are the right broker to get you the best deal on your new loan?

9 Outrageous Unequaled Industry First Guarantees

In fact, in 2006 when I founded this company, I did it with the sole purpose of bringing the best finance deals to everyday Australians, whether you are a Doctor, a tradesman or have bad credit, we have a huge range of loan products to suit everyone.

GUARANTEES:

So now you have total peace of mind that you know you are getting the best deal. But that's not all we guarantee, here is a list of some other important guarantees we offer you:

- Before you take a loan with us, we will beat any legitimate written quote*
- If after taking a loan through Fox Finance Group you are offered and accept a better car loan deal within 30 days, I will refund any difference in interest to you!**
- We guarantee NO HIDDEN COSTS - our staff will explain all loan contracts to you so you clearly understand all the fees and charges that may be relevant on your new loan. We will even explain ways you can save money with your loan contract.
- We guarantee to take every care possible when obtaining, using and storing your personal information. The protection of your personal information and your privacy is paramount to us and we do not give your personal information to any other party.
- We guarantee you will be happy with our service - we have our own internal complaints process. And of course we are a member of COSL an external dispute resolution process. But if by any chance you are not happy then call me personally on 0401679744 and I will endeavour to find a solution to your concerns that satisfies you.
- We guarantee to stay up to date with the latest and best loan products in Australia - in fact I dedicate a number of hours every month to searching out new and better loan products for our clients.
- We guarantee you a professional experience. We are licenced with the Australian Securities and Investment Commission (ASIC) as an Australian finance broker (you can verify our licence at the free government register www.connectonline.asic.gov.au/RegistrySearch and I have been in finance myself for over 25 years.)
- Our clients are like our family - we guarantee we will treat you professionally and courteously, just as we would expect our family members to be treated.
- Best of all, we guarantee to keep you informed of your loan progress every step of the way. No more sitting at home waiting and waiting wondering what is happening with your loan application.

So, how do you get the best deal for your new loan... Call us now on 1300 665 906.

*You must provide us a written quote no older than 30 days and it must be personally addressed to you and confirm your unconditional approval with this lender.

**All you have to do is provide us with a copy of the new loan contract so we can calculate the correct interest adjustment figure for 30 days. We will also assist you to close or cancel the original loan if you request us to.



ABOUT THE AUTHOR

After graduating year 12, Dan Fox began his banking and finance career at Westpac Banking Corporation in Brisbane in 1988. He worked for the bank for seven years, excelling in his career and working his way up to management. Whilst working for Westpac, Dan also began his Bachelor's in Business, with a major in Banking and Finance.

After leaving Westpac, he began his 10-year role with Avco Finance and Insurance (now known as GE Money). Dan held a few positions within this company, including branch manager of several finance branches, and area manager of the retail/interest free division.

At this point, Dan wanted to expand his finance experience and personal and professional achievements, and accepted a role as a finance broker with Capitalcorp Finance and Leasing in 2005.

In 2006, Fox Finance Group (foxfinancegroup.com.au) was introduced to the broking and finance industry with Dan explaining,

"After 17 years' experience with several finance companies, I decided to establish Fox Finance Group to offer customers the best possible finance solutions for their individual circumstances."

Fox Car Loans is a wholly owned subsidiary of Fox Finance Group.

Dan and his family have been living on the Sunshine Coast where Fox Finance Group has been operating from their head office in Maroochydore. Dan goes on to state, *"Like me, my staff possess a real passion for achieving loan approvals for our customers. This is what separates us from other finance brokers."*

For more information about the author, please go to www.danfox.com.au



FOX CAR LOANS

AUSTRALIA'S BEST BANK CAR LOANS

2014 © Fox Finance Group

The copyright on the material in this e-book is owned by Fox Finance Group and is protected by international copyright legislation. This e-book is free to download for personal, non-commercial use and can be distributed in its original form provided that Fox Finance Group is cited as its source. No changes may be made to the content of this e-book without the prior written permission of Fox Finance Group.

"This e-book is not provided as legal advice and it is expected that the reader will seek several sources of advice before applying for or entering into a car loan. The contents may not be applicable to every consumer or situation".