Bad Credit Rating Default Removal Case Study

Client Profile:

Name:	Helen
State:	NSW
Sex:	Female
Age:	32
Married/Single:	Single
Listing Type:	Judgment
Original Creditor:	City Council
Current Creditor:	City Council
Paid / Unpaid:	Paid
Listing Amount:	$469

Application received:	03/02/2011
Stage 2 Payment received:	18/02/2011
Default Removed:	22/03/2011

Background:

Helen had separated from her husband, which left her with a $400,000 mortgage, $45,000 in personal loans, plus all the bills, utilities and credit cards. Helen was working 3 jobs and earning $80,000 pa and when the global financial crisis hit she lost her weekend job, and the hours dropped significantly on the second job which dropped her income to $65,000. While trying to manage all the debts she was barely surviving. Due to the situation, Helen found herself behind in the rates, and a judgement was entered.

What were any challenges with the creditor:

No real challenges as we were instructed by council to deal with their legal team and agreement was swiftly reached.

Why was the default removed:

Upon dealing with the City Council's legal department, we received the requested documents which allowed us to further investigate Helen's case. Our investigation revealed cause for the removal of judgment. Agreement was drafted up and filed in order to have the judgment removed from the credit rating.

Summary:

Helen came to MyCRA as a divorcee with a lot of debt and no chance to refinance with the judgment on her credit rating. With the judgment now removed Helen will apply to have her debts consolidated into her mortgage and drop the repayments at the same time – **Congratulations Helen!**