

CREDIT IMPAIRED APPLICANTS



Definition of “credit impaired”:

An applicant who:

- a. Within the last two years has owed overdue payments, in an amount equivalent to three months' payments, on a mortgage or other loan (whether secured or unsecured) except where the amount overdue reached that level because of late payments caused by errors by a bank or other third party; **or**
- b. Has been the subject of one or more County Court Judgments, with a total value greater than £500, within the last three years; **or**
- c. Has been subject to an individual voluntary arrangement or bankruptcy order which was in force at any time within the last three years.

Kensington will not accept applications when all of the following apply:

- a. The applicant has requested a residential mortgage; **and**
- b. The applicant is classed as Credit Impaired; **and**
- c. The lending is for debt consolidation (unsecured credit); **and**
- d. The applicant can only afford the mortgage if the credit is repaid.