

Loans and Mortgages

Rejection: What to do if you are Turned Down

What do I do if I have been turned down for a loan?

If you've been turned down for a loan, use this table to identify the steps you can take to improve your credit:

Step	What to Do
1	Pay off your entire bill each month on existing credit cards. If you can't, try to pay more than the minimum balance due. This will reduce finance charges and total interest paid.
2	Pay all bills on time to avoid late fees and to protect your credit. If you cannot pay on time, call your creditor(s) immediately to explain the situation. They may waive late fees or be willing to make different payment Arrangements.
3	Always check your monthly statement to verify transactions. Call your creditor(s) right away if you see errors in your statement.
4	Ignore offers that creditors may send you to "reduce" or "skip" payments. You will still be charged finance charges during these "free" periods.
5	Think about the cost difference if you purchase desired items with cash versus if you purchase them with credit: For example, if you purchase a \$500 stereo with a credit card with a 20% APR, it will cost about \$1,084 and take 9 years to pay off if you only pay the \$10 minimum monthly payments.