

## CCJ Or County Court Judgments

A good credit rating is a great thing to have, a hard thing to come by, and sometimes an easy thing to lose. Late payments on a debt or non-payments of a debt are the culprits behind most falling credit ratings. Your creditor may be very nice and work along with you for awhile, but most people who lend money expect to have it repaid in a timely manner. When the creditor gets tired of not having the debt paid regularly or at all, they have good cause to seek a CCJ or a County Court Judgment against you as their borrower.

A County Court Judgment is initiated by the lender in an attempt to bring accounts current. Therefore, the creditor will appeal to the county court and a 'Claim Form' will be issued to you by way of the postal service. By means of the claim form, you will find out exactly what is owed and who you owe it to.

Sometimes, there will be a real reason that the debt has not been paid other than neglect or simple failure to pay. If there has been a fire and your records are lost through it, you may not remember the debt. In that case, the claim form will be a reminder and the situation will be resolved by paying the debt.

Sometimes, however, the debt is too large and the income too small for the debt to be fully repaid by the date required by the court. Along with the claim form, you will have also received an 'Admissions Form.' This form allows you to list your income and expenses so that the court will have full knowledge of your predicament when it convenes to hear your particular situation. Time is of the essence in this matter, and the debtor should pay close attention to when the forms were received and the date by which the court is expecting to hear from you.

Following the instructions provided by the court, you will be able to sit out the hearing if you have fully complied with their request for information. If you are unsure of any aspect of the claim or should you wish to disagree with the creditor filing the claim, you will want to attend the hearing portion of these proceedings, as well.

Since this is not a trial and there is no question of guilt or innocence, the court's objective is to come to an understanding of the claim made against you and how best to proceed with the lender's claim. There may be an amount of money that needs to be repaid or the court may find that the lender is in error. Should that be the case, the court will drop the proceedings and notify you.

However, should the court decide that you really do owe the money, you will have 30 days to repay the debt or risk having the court enter a CCJ. When this happens, this debt and the lack of payment of the debt will appear in your credit record and will remain there for six years.

During the six years, you may pay back the debt through one payment or through installments. Still, the CCJ will remain on your record but beside it will be the word "satisfied."

There are various ways to try to control the debt so that you can clear it. If you can not pay the entire debt in one payment, you may ask for installment payments. Should these be too large for you to pay, you can ask the court to reduce the installments by means of a 'varied order.' The claimant has the ability to accept or reject your plan to repay. If the claimant accepts your request, you are free to pay accordingly. However, if the lender does not accept your request, the court will again look at the information you have given and decide upon your payment. Refusing to pay the order not only goes on the credit record but could put you in danger of having your goods or property seized and sold to collect the money that you owe.

The biggest problem with all of this the way the CCJ affects your ability to obtain a mortgage loan. Specialty lenders now exist because of the number of people who have had CCJ's against them. In increasing numbers, people in the UK are struggling with owing money and because of this; there are new lending products available.

If you are looking for a mortgage loan and you have a CCJ on your credit record, it may not be an impossibility to get a loan but there will be restrictions and costs. In addition to higher interest rates, the home buyer may face restrictions on when they can refinance or how far into the loan it will be before you can make extra principal payments.

Those who have CCJ's against their credit record now have more options than ever before. If you are in this category, do not be afraid to consult a mortgage expert as you try to purchase a home for yourself and your family.

## About the Author

Brian Jenkins is a freelance writer who writes about topics pertaining to the mortgage industry such as [Mortgage Company | Home Mortgage Lender](#)

