

Suffering in Silence!

By Harry Pontikis – Director of Chocolate Money

Borrowers are struggling to make ends meet with high mortgage repayments and the high cost of living. Many self-employed borrowers are also suffering due to declining income and higher business costs, compounding their suffering. These people are the silent sufferers in our community. They are working full time and harder than ever before but making ends meet is becoming increasingly difficult. This takes a toll on their physical and mental health as well as their family's well-being.

We call them 'The Silent Sufferers' because they are too afraid to tell their bank that the 12 formal rate increases and the numerous informal increases the bank has snuck in, is making life difficult.

They are afraid of what the bank might do once they become aware of their financial challenges as banks are not known for their propensity to help people but merely to maximise the return for their shareholders.

If a borrower misses a payment, is late or is looking like they're under financial stress, the consequences are wide, varied including penalty fees, higher interest payments, being asked to lower their debt, sell their home or other non-helpful outcomes. The negative impact is not isolated merely to their bank but through Open Banking, other banks could become aware of their missed payment, blemished credit report and low credit score. This would make future borrowing even more difficult and more expensive.

BUT there are options available through Chocolate Money. Banks, non-banks and lenders have different lending policies, options and appetites for different types of borrowers. The challenge is knowing which lender wants to help lower your monthly repayments and get you through the current economic challenges.

Chocolate Money will analyse your current situation, provide options as to which solutions are in your best interest and then facilitate everything to make the move from your existing bank to your new bank easy.

This mitigates the risks associated with approaching your bank and exposing yourself to their whims and current policies.

Some of the options to help with cashflow through Chocolate Money include:

- Consolidating multiple loans and debts into your mortgage
- Refinancing to a cheaper bank or lender
- Getting cheaper rates and lower fees from your existing bank
- Extending the term of your loan
- Moving to Interest-Only repayments
- Fixing all or part of your mortgage to assist with budgeting.

Being able to discuss your income and repayments you can afford with a Chocolate Money Credit Advisor will provide you with the peace of mind missing from many borrowers at the moment and stop you from suffering in silence or alone.

This article is general in nature and not to be considered specific advice. For a tailored solution, contact Chocolate Money on 1300 137 539 or info@chocolatemoney.com.au