
CHAPTER FIVE - HOME LOAN FACT SHEET

Conduct

How you've handled money in the past tells the bank everything about how you'll handle a mortgage. Here's what they're really looking at.

Conduct, in three parts

When a lender assesses your conduct, they're looking at three distinct things. Each carries weight on its own — together they paint the picture of how you manage money.

<div data-bbox="215 943 295 1021">1</div> <div data-bbox="215 1043 526 1072">Commitment Conduct</div> <div data-bbox="215 1088 536 1149">Are you paying your existing facilities on time and in full?</div>	<div data-bbox="624 943 703 1021">2</div> <div data-bbox="624 1043 871 1072">Account Conduct</div> <div data-bbox="624 1088 948 1149">How do you operate your everyday banking accounts?</div>	<div data-bbox="1032 943 1112 1021">3</div> <div data-bbox="1032 1043 1350 1072">Credit Score & History</div> <div data-bbox="1032 1088 1370 1149">What does your credit file say about your past behaviour?</div>
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1. Commitment conduct

The simplest one to get right and the most damaging one to get wrong. The minimum payment on every credit facility — credit card, personal loan, car loan, BNPL — needs to be paid **in full and by the due date**. Every time.

Banks are pattern-matchers. A clean run of payments tells them you're a safe bet. A few late payments tell them otherwise — even if your reasons are valid.

2. Account conduct

Lenders look at how you operate your standard banking account. The big things they're watching for:

- **No regular overdrawn.** One-offs are usually forgivable. Repeated overdrafts signal cashflow stress.

- **Direct debits set up.** Have loan repayments come out the day of, or the day after, your pay lands.
- **Buffer for the unexpected.** Public holidays, payroll glitches, weekend processing can cause debits to hit before pay does.

PRO TIP

Set every direct debit to come out a day or two *before* the due date if you can financially manage it. It's a fail-safe that costs nothing and avoids overdue fees, late marks, and explanations to underwriters.

3. Credit score and history

Your credit score reflects your past behaviour. Defaults, bankruptcies, or Part 9 agreements show up here and inform the lender's risk view.

DON'T WRITE YOURSELF OFF

A bumpy credit history isn't a dealbreaker

If you've had previous credit issues — or you're currently in one — there are providers who can still help. Even being discharged bankrupt can be overcome: some lenders only need you to be discharged for one day, provided their other assessment criteria are met.

Got a question this raises?

Every situation is different. Book a free, no-obligation chat with Jonny and let's walk through your numbers.

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