

5 C's of Credit

GETTING TO FUNDING-READY



CONDITIONS

Lenders assess loan purpose and economic conditions, impacting their willingness to finance and terms like interest rates and principal amounts.



CAPACITY

Lenders gauge repayment capacity by examining income, job stability, and debt-to-income ratio to assess your financial ability for additional debt.



COLLATERAL

Collateral, like real estate or vehicles, secures the loan, reducing lender risk and enabling better terms, including lower interest rates, for borrowers.



CAPITAL

Your financial stake in the transaction, such as a down payment or business investment, enhances your creditworthiness.



CHARACTER

Lenders evaluate your credit history and reputation, focusing on timely debt repayment and credit score.

