

Question and Answers

TOPIC(S):

Misc. – Payoff Update Policy

QUESTION:

I have a question for you concerning the updated payoffs. I have been told by several customers recently that they do not receive their credit card statements showing the new monthly payment due until well after the previous due date. If I continuously wait for them to receive new statements, then it seems the other statement due dates have passed and it is a never ending cycle. Is there something else that you would accept rather than waiting for updated statements? Can the borrowers provide a print screen or printout of the current balance owed and the due date, and I can just attach that to the front of the most recent statement?

I have just been experiencing a lot of frustration on the customer's end being continuously asked for new statements so I want to know how we can streamline this going forward!

ANSWER:

Yes you can get printout of the current balance to show what is due.

What they are telling you is absolutely correct as there is generally about a 10 day lag in between each cycle, the issue we run into is if it is past the due date either they didn't go ahead and pay it and now there will be late fees associated, OR they did pay it and we would be having them overpay and then wait for a refund (or even worse scenario it leaves them with a credit on the account which encourages the use of the account again).

We also have to be careful that any of the soft pulls that show higher, if the reporting date is the same, we have to have them pay the higher amount even if that's not actually correct.

With all that said if a borrower cannot, or will not, get an updated payoff and its within that 10-15 day period where its not updated yet, but also past the due date we can go with the higher of the statement we have OR the soft pull its just not always what is best for the borrower.