

## Your Credit Report

### Credit report information

Details about your financial behavior and identification information are contained in your personal credit report. This consumer-friendly report is sometimes called a credit file or a credit history. A copy of your credit report makes it easy for you to understand the information a lender would be seeing if they review your credit history. The typical consumer credit report includes four types of information:

1. **Personal information** can include your name, current and previous addresses, telephone number, reported variations of your Social Security number, date of birth and current and previous employers.

2. **Credit information** includes specific account information, such as the date opened, credit limit or loan amount, balance and monthly payment and payment pattern. The report also states whether anyone besides you (a joint account holder or cosigner, for example) is responsible for paying the account. Active positive credit information may remain on your report indefinitely, while most negative information remains up to seven years.



3. **Requests by others to view your credit history** will show you who has received information from your credit report and who was given your name during the recent past, as allowed by law. According to the Fair Credit Reporting Act, credit grantors with a permissible purpose may inquire about your credit information without your prior consent. This section includes the date of the inquiry and how long the inquiry will remain on your report.

4. **Public record information** in some states may also include overdue child support. Bankruptcy information can remain on your credit report up to 10 years; unpaid tax liens can remain for up to 15 years; other public record information can remain up to seven years.

### Qualifying for discounted reports

You may be eligible to receive a discounted or free credit report if you meet one of the following conditions:

- Your request for credit, insurance, employment or rental housing is denied based on your submitted information.
- If you certify in writing that you are unemployed and seeking employment or receive public welfare assistance.

If you have reason to believe your credit file contains inaccuracies resulting from fraud, stop using credit until your finances are under control

"You or your creditors also may add Statements of dispute". Creditors report temporary dispute statements when you challenge an account's status with them. The statement is no longer reported when the dispute is resolved, usually within 30 days. If you and your creditor cannot agree on an account's status, you may have a "statement of dispute" added to your credit history. The statement will remain for seven years.

### Create a positive credit history

Your credit report shows how well you managed your financial responsibilities during a certain period of time. Positive information remains, and negative info drops off over time. Things to do to create a positive credit history:

- Pay your bills on time. Most lenders look at the most recent information on a report. So if you've paid your accounts on time for the last two to three years, the lender may weigh that more heavily than a series of late payments from years ago.
- Set a budget, and live within it. In this day- in- age of self-help and empowerment, managing your finances should be a top priority for you.
- Review your credit report 60 to 90 days before making a major purchase (such as a home or car).
- Provide complete, accurate and consistent identification on your credit applications. This helps set up your credit history correctly from the beginning. Moreover, this minimizes the chance that your credit file will be incomplete or mixed with another consumer's file.



### Getting help

- Pay your bills when they're due. If you have an overdue bill, unpaid debt, tax lien or judgment, pay it off. You may find it easier to pay one affordable consolidating loan rather than several separate accounts.
- Stop using credit until your finances are under control.
- Contact your lenders. Ignoring the situation will only add to your problems. Many lenders will work with you to set up a different payment schedule or interest rate. It never hurts to ask.
- Look to professionals if you need assistance or if you don't have time to develop your own plan. Quality nonprofit credit counseling organizations help consumers understand credit reports, con-

tact creditors, manage debt and set up budgets. You might also find credit management help at your local community college or community center.

### **Educate Yourself!**

Going to a credit repair clinic will not be of help to you. There is nothing any credit repair clinic can legally do for you - including removing inaccurate credit information - that you can't do for yourself for free, and their fees can be substantial, ranging from hundreds to thousands of dollars.

### **Review your consumer credit report**

Whenever you apply for a new credit card, loan or extension of credit, the potential lender will most likely review your credit report before making a decision. You should too! Check it several weeks or even months prior to making a large credit purchase.

- Get an easy-to-read summary of your credit accounts and total debt - both existing balances and available limits.
- Budget and devise a plan for the future.
- Assure the accuracy of the information reported about your credit. This is especially important when you're getting ready to purchase a car or new home.
- Federal law allows consumers to challenge inaccuracies and correct their credit files. As a consumer, dispute incorrect data. There is no fee. If you believe there is an error on your report, dispute it online for fast resolution.

