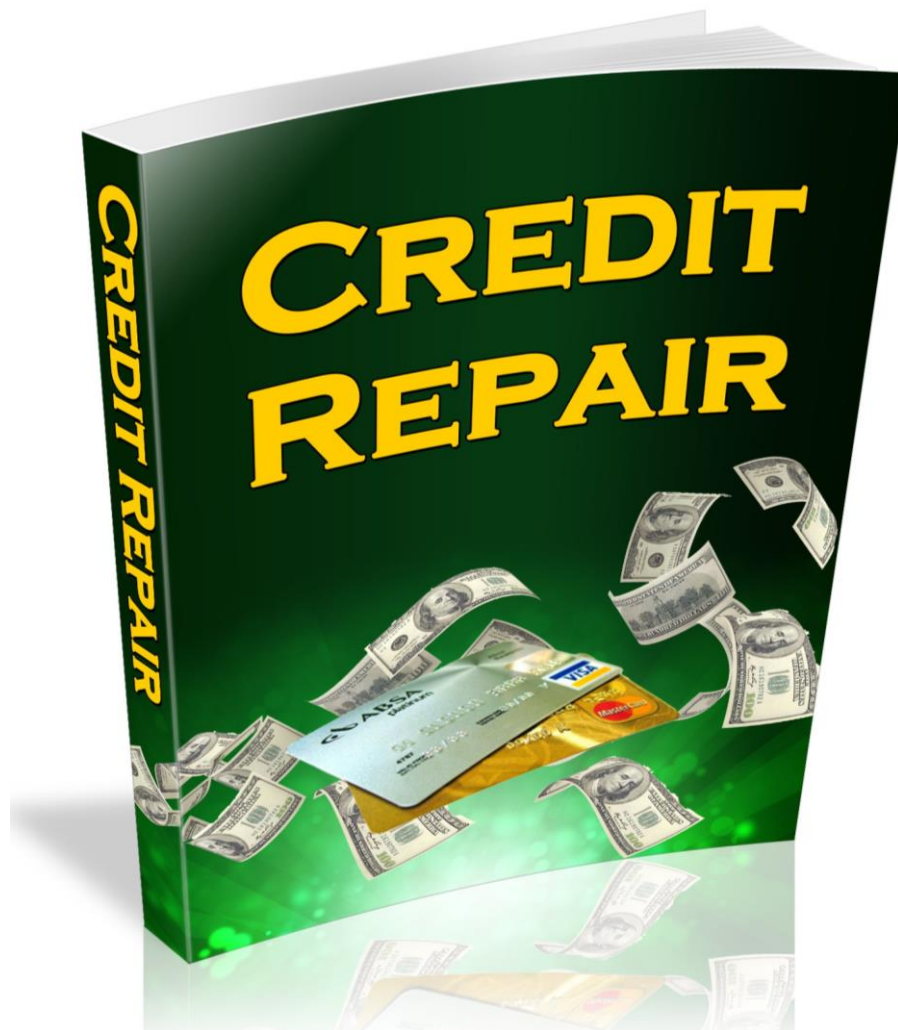


Your Credit Repair Solution



Introduction

Your Credit Report Solution will help you understand that there is help available for fixing your credit. Even though you might feel as though you are alone and lost, you are not!

After you have finished reading Your Credit Report you will be able to take positive action and start the process of repairing your credit. By taking one step at a time and making small changes you will see the light at the end of the tunnel and be on your way to developing a good credit score.

The Fair Credit Reporting Act (FCRA) allows each person in the United States to dispute any items which they feel have been listed incorrectly on their Credit Report.

You have every right to ask for a review for any item listed on your Credit Report and don't let anyone tell you otherwise!

How to Get Your Credit Report

If you live in the United States you are entitled to a free credit report once every twelve months. There are some circumstances which allow you additional reports at no charge. These include if you are actively looking for work or if you are a victim of identity theft and have reported this crime to the police.

There are three credit bureaus and you should request your credit report from each one individually. The three are Equifax, Experian and Trans Union.

Now you must understand that these bureaus only report your credit from information provided to them by financial institutions. So technically each credit report could be different and this is why it is important to get a copy from each bureau.

It is possible to request a copy of your Credit Report online by visiting:

<http://www.annualcreditreport.com>

Once at the website you have the choice to view your Credit Report online or have it mailed to you. You will just need to authenticate your identity and provide your State of residency.

If you prefer you can mail each credit bureau separately at the following addresses:

Equifax
P.O. Box 7404256
Atlanta, GA 30374-0256

Experian
Dispute Department
P.O. Box 9701
Allen, TX 75013

TransUnion
Consumer Solutions
P.O. Box 2000
Chester, PA 19022-2000

Understanding Your Credit Report

Once you have your Credit Report it is very important to go through it with a fine tooth comb. Look at every entry and make certain that it is correct.

Highlight anything that doesn't look right and needs further investigation. Once you have checked the entire report you should have a list of possible errors and mistakes.

Take the time to check the entries yourself. If dates of loans and discharges look wrong, see if you have any paperwork to support the mistakes. This will make it much easier to get errors corrected.

Take the time to ensure that all your personal information is listed correctly. A variation in the spelling and misspelling your name is common and won't actually hurt your credit. Be certain that all the personal information is yours such as place and date of birth and your social security number.

Your credit report will have a summary which lists the various types of accounts that you have.

These will include:

- Credit Card Accounts and Lines of Credit – Revolving Accounts
- Mortgages – Real Estate Accounts
- Collection Accounts
- Other Accounts

There will also be a summary which details how many accounts you have opened and closed. Plus how many enquiries have been made into your accounts in the last two years.

The Account History is the section that you want to pay attention to. This is where the most details are recorded. Such as:

- Name of Creditor
- Account Numbers
- Account Type – Revolving, Real Estate etc
- Monthly Payment Due
- Credit Limit
- Balance
- Highest Balance Recorded
- Past Due
- Payment Status – past due, current etc
- Payment History – status since last payment made

The Public Records section will show if you have filed bankruptcy or have to pay child support. The only items that will show here are those related to your finances in anyway. As this is a public record you want to ensure that this area stays clean and clear.

Credit Inquiries is the next section on your Credit Report. This shows both your requests for a loan or credit approval. As well it shows promotional enquiries done on your account. This could be from credit card companies wanting to offer you a certain level of card.

This section gives you a very good idea of who has been looking at your credit history and for what reasons.

Disputing a Credit Issue

Once you have identified your credit errors and mistakes it is time to take action. First you want to collect any relevant information you have about each mistake separately. This includes proof of payments made, discharged loans or mistakes on your credit card or bank statement and even cancelled cheques.

Do not send any originals of these documents take copies and mail them with your letter and a copy of your Credit Report with the issue highlighted.

Your next step is to write to each creditor and inform them of the possible error. Now it is extremely important not to point the blame at the Credit Bureau here. The credit bureau only reports the information given to them by all the separate Banks, Credit Card Company's etc. They compile this information into your credit report so don't get mad at them.

In your letter you want to identify the mistake with the date and any other relevant information. Then politely ask them to look into the matter. They have 30 days to verify the information and if it is incorrect they will remove the item from your credit report.

Remember too, that they may remove a disputed issue only to place it back on your credit report once it becomes substantiated again. If this happens they must advise you in writing before the item appears on your updated credit report.

Then mail your letter to the financial institution in question as well as to the Credit Bureau. Keep track of the date you mailed the letter and of any phone calls or other correspondence you receive regarding each

error. It is worth the extra money to send this letter by registered or certified mail.

As the errors are resolved they will be removed from your credit report and you will be informed of your new credit score. You also have the right to ask the Credit Bureau to send a new copy of your Credit Report to any company who has requested credit information about you in the last six months.

By law the company must inform you in writing of their decision. Each financial institution must report back to each Credit Bureau with their findings within this time period.

What to Avoid on Your Credit Report

There are certain items that can really have a negative impact on your credit rating. These are the ones that you really want to avoid having show up on your credit report at all costs.

Late Payments – these are any payments that were received later than 30 days on your account. They will be listed as 30 – 60 or 60 – 90 days or longer.

Charge Offs – these are amounts which are written off by a creditor after they go past being due for 180 days.

Collection Amounts – this is amount which goes to a collection agency.

High Credit Card Balances – you never want to max out your credit card. You should never use more than 75% of your available balance. Credit Bureau's always report the highest balance on your credit card, so this amount could possible hurt your credit rating.

Too Many Credit Applications – applying for too many credit cards or loans makes you look desperate for money and can have a negative impact on your credit. The only time this does not apply is when you are rate shopping for a mortgage.

Bankruptcy and Loan Defaults – declaring bankruptcy and defaulting on your student loans are some of the worst entries to have on your credit report. This also includes being foreclosed on or having your home or automobile repossessed.

Easy Solutions Which You Can Do Today

If you feel as though your credit is a mess there are some easy solutions which you can start today. The first one is to create a budget. Sit down and figure out just how much money you have coming in each month. Then write down a list of your current expenses. List every bill which you have to pay and when it is due.

Then you can start to see which bills need paying when and you will also have an idea of how much cash you have leftover each month. If this amount is not enough to cover your lifestyle you will have to be prepared to make some changes.

This can include not eating out or going to the movies. Start collecting change in a jar and see how fast it adds up! You may find that you need to find a better paying job or look for additional work. If you are a handy man you could offer to do some home repairs or decorating for friends and neighbours. This is a great way to rake up some additional cash.

Another way to raise funds to pay a bill is to have a garage sale. You probably have lots of unused items lying around your home which somebody would be happy to buy.

Once you have some extra cash use this money and pay off any bills which are past due. Payment history is a large factor on your Credit Report so it is extremely important to pay all bills by their due date.

If you have outstanding loans try to pay off the balance as soon as you can. This will have a great positive impact on your credit history.

If all else fails and you are still short of money then talk to your creditors. If you are behind on your payments due to losing your job or becoming sick, they will often be very understanding.

Creditors will not let you off payments but they can lower monthly payments or consolidate bills into one. By working with your creditor you can very often come up with a good solution to start repairing your credit.