

## Understanding Your Credit Report

Before applying for credit, it is a good idea to review your credit report to understand what a lender will be evaluating. This will also provide an opportunity to make corrections in your report beforehand.

Your credit report includes four types of information:

### **Public Record Information:**

This is information primarily reported by the judicial system, such as bankruptcies, judgments, foreclosures, tax liens, or other information. In some states this 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; and other public record information can remain up to 7 years.

### **Credit Information:**

Credit information is account specific including the date opened, credit limit or original loan amount, current balance, monthly payment and your payment history. The report also states whether anyone besides you is responsible for paying the account (such as a co-borrower or co-signer). Active positive credit information may remain on your report indefinitely, while most negative information only remains for up to seven years.

### **Credit Inquiries Information:**

Requests by other creditors to view your credit history will be revealed on your report along with the date it was requested. According to the Fair Credit Reporting Act, (FCRA) credit grantors with a permissible purpose may inquire about your credit information without your prior consent. Your personal credit report will also detail anyone who inquired for the purposes of extending pre-approved credit offers. These types of inquiries are only revealed to you and will not impact your ability to obtain credit or your overall credit score.

### **Personal Information:**

This final category typically includes your current name, previous name(s), reported variations of your name, current and previous addresses, telephone number, your Social Security number, date of birth, current and previous employers and possibly your job title. However, "Statements of dispute" may also be added by you or your creditors.

Creditors can report a "temporary dispute statement" if you challenge an account's status with them directly. 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 can elect to have a statement added to your credit history. Your statement will remain on your report for 7 years.

Because the FCRA requires that credit bureaus add statements at the consumer's request, they cannot hide medical information contained in a statement. Your statements are displayed to anyone who views your credit report, so be careful with what you disclose.

*Or simpler yet, you can ALWAYS call and we can review your credit together!*