



How To Easily Repair Your Own Credit Report!



When obtaining mortgage financing in the United States, credit is very important. Mortgage investors find it hard to ignore poor credit. When applying for a mortgage loan your credit history will be thoroughly examined. Lenders look at how you have handled past accounts so that they can accurately guess how you will handle your future mortgage payments. This information has been designed to assist you in removing inaccurate, misleading, and derogatory information from your report as quickly as possible. The resulting improved credit typically allows you to qualify for a better loan. At our expense, by giving you MORE FREE & VALUABLE INFORMATION, it is our belief that we will enhance our relationship with you. Whether we do business with you now or two years from now, it is our hope that you will find your association with us important enough to tell your friends and associates.

What is included in a typical Credit Report:

- * Your "AKA's" ("also known as")
- * Social Security Number
- * Date of Birth
- * Recent Addresses, Past Addresses
- * Employer
- * Account Information
- * Records of tax liens, judgments, bankruptcies, collection accounts and charge-offs.
- * Who the account is / was with
- * When the account was opened /closed
- * Current Balance
- * High Balance
- * Monthly Payment
- * Late payment status (30 days or more)

Start by Reviewing Your Credit Reports

If we have provided you a copy of our “merged report”, (drawn from all three bureaus listed below) from our “credit agency”, this is a good place to start reviewing. For your convenience, we have provided a list of creditor phone numbers on the back page of our report. This can come in handy when simply closing out unused, revolving accounts.

To receive a copy of your credit report, call the three main credit bureaus:

Equifax

PO Box 740241 Atlanta, GA 30374; 888-841-7335 OR 800-685-1111; www.equifax.com

Experian (formerly TRW)

PO Box 2002 Allen, TX 75013; 888-397-3742 OR 800-682-7654; www.experian.com

Trans Union

PO Box 4000 Chester, PA 19022; 800-916-8800 OR 866-887-2673; www.tuc.com

As we understand it, all three bureaus will accommodate disputes by telephone, but to best document your efforts...

Be sure to get a copy of all three reports. Most mortgage companies use the information from a combination of all three bureaus. Once you receive your reports FROM THE BUREAUS, make a copy of them. Use the original reports to retain all the information contained. Circle all the negative items and anything that is incorrect in red ink on the copies.

DO NOT USE THE REPORT WE PROVIDED YOU TO DISPUTE DEROGATORY CREDIT INFORMATION. USE THE INDIVIDUAL REPORTS YOU WILL OBTAIN FROM THE BUREAUS DIRECTLY.

Items to be looking for are:

- **Historical Status or History** - This column symbolizes the status of your payments. Look for any numbers or letters that represent 30,60 & 90 day late payments.
- **Anywhere on the report that states the abbreviations for charge offs or profit and loss write-offs.**
- **Any Listing of Bankruptcies, Tax Liens, Collections, Judgments** - Make sure these items
- are accurately reported.
- **Inquiries** - This shows all the creditors you have applied with or inquired to. Circle any companies you have not inquired with. Excess inquiries can decrease your credit score.

Once you have completed “marking-up” your report(s), photocopy your marked report(s) again and file them. Now you will have an original unmarked copy, a marked up copy for mailing and a second marked copy for your records.



Send The Report Back

Send the marked report(s) back to the credit bureaus via registered mail, return receipt requested. Create a cover letter itemizing each item and asking the credit bureau to investigate and remove each piece of negative information on your report. The credit bureau is required to delete negative information if:

- Any errors are found
- If they cannot conclude a reasonable explanation for the items you have challenged in a reasonable amount of time.
- Any negative information that is more than seven years old

If The Credit Bureau Does Not Respond

They are required to produce a written response within 30 days of them receiving your report. If the credit bureau does not respond in a timely manner, you can have any negative entries deleted as long as they were the ones you had originally had circled and challenged. **This is THE critical credit repair strategy.** It is often possible to have negative information deleted due to time constraints or neglect. The credit bureaus will contact the creditors and the creditors MUST respond. To research a negative credit rating takes a lot of time and effort that the creditor may not decide to take. This can often work to your advantage. Once the research is completed and bureau has updated your report, you are required to receive a free, updated report.

To Complain About A Credit Bureau

The Federal Trade Commission cannot act as your lawyer in private disputes, but information about your experiences or concerns is critical to the Fair Credit Reporting Act. The FTC takes this very seriously. If you feel a credit bureau is acting irresponsibly or unfairly, send your complaints along with a written description of the situation, and how you want the problem to be handled to:

Consumer Response Center
Federal Trade Commission
Fair Credit Reporting Act
Washington, DC 20580

For free information from the Federal Trade Commission, including a copy of "Best Sellers" a complete list of Federal Trade Commission Publications, Write to:



Please call with any questions 1-800-883-1278 ext. 401

Consumer Response Center
Federal Trade Commission
Washington DC, 20580

Or you can call (202) 326-2222, TDD (202) 326-2502

Or go to <http://www.ftc.gov/> and select "File A Complaint"

When the Credit Bureau Responds

When the credit bureau responds, they will provide you with an updated credit report. Hopefully they have deleted a majority of the items you circled. Compare this credit report with the original copy you had marked up. Again, make a copy of the new credit report; circle in red any negative information that was not removed, copy it yet again and send the original back to the credit bureau for another round up disputes! The battle cry is, "dispute, Dispute, DI SPUTE!"

When Negative Information Is Not Removed After Several Attempts

After your second attempt, if your negative information still appears, it is time to switch to a different approach. Attempt to deal with the creditor directly. Gather a copy of your most recent credit report and list which creditors you need to contact. List your account numbers, number of late payments, and other helpful information. You should try contacting the same person the credit bureaus dealt with when they re-investigated your account. The strategy here relies on human compassion and believe it or not...it does still exist in many areas! Attempt to find an ear that will listen and has authority. Then describe how lives hang in the balance and their co-operation will change the course of your financial history! Beg if you must as a last resort. All of this is a proven strategy. Get promises in writing, and you can use this written promise directly with the bureaus to effect a change on your credit report.

If You Still Owe The Creditor Money, And The Negative Information Remains... NEGOTIATING OUTSTANDING BAD DEBT.

As silly as this may sound, it is easier to have negative information removed from your credit report if you still have a pending balance. The creditor has often given up all hope of receiving a payment from you. They will see any payment to them as a gift out of the blue! We suggest beginning a negotiation process with them at 10% of the original balance. The older the debt is, the more cavalier your negotiating style should be. Additionally, we have found that many creditors will easily settle at 50% of that balance. This is the negotiating range you should keep in mind. Time your negotiations such that you're prepared to pay the creditor within two weeks maximum of their final written offer to settle; their offer will almost always be subject to a



specific date, then withdrawn. NEVER tell the creditor this negotiation is taking place to close a home loan! They will know you are more flexible with greater resources, ie: you may have more money for them. This is the weakest possible negotiating position. Tell the creditor that the only way you will settle with them is if they report your account to the bureaus as PAID IN FULL regardless of what percentage of the original balance they receive. Their settlement amount and credit reporting status MUST be specific and in writing. This is not a difficult process, and we have assisted hundreds of borrowers with this task at no additional charge.

If You Paid Off The Account, But Negative Items Still Remain

If you have paid off an account to the creditor's satisfaction and it hasn't reported as "PAID IN FULL", send a letter with proof of payment and firmly ask them to report the account correctly. Make sure they BACKDATE the "last reporting date" to the date it was paid off (if possible) and not use today's date (see credit scoring). If you haven't received a response, begin to contact the company and ask who is the primary contact. Ask for a manager that has the authority to remove your negative credit. Explain what you have been trying to do and why. Let them know that everyone else has been very cooperative.

The Potential For Error...

First, it is important to note that credit reporting by creditors is voluntary; they DON'T HAVE TO REPORT! And when they don't, especially your mortgage, this irritates us! The bureaus are a "subscription service". The creditors actually pay the bureaus to play the game. Experian, the largest of the credit bureaus, has over 100 million credit files in storage. It has well over 50,000 business subscribers and processes the information for more than 50 million credit reports in a big year! It doesn't take a very high percentage of errors to make the actual number of mistakes a BIG number. For instance, if each of Experian's 50 million credit reports had ten pieces of information each, and the clerks at Experian made an error in only one of each 1,000 entries, that means there are 500,000 errors in Experian's credit reports in that year alone. And that's just one credit bureau. You can see the odds of error in your credit report are high.

TAKE ACTION!!!

Begin taking the time to repair your own credit report now! This is a service that credit repair specialists charge more than \$250 per credit line to perform simply using the techniques described here. So...you can pay yourself well during a task, which will produce huge financial benefits for you and your family in the long run.

We have provided this valuable material for FREE because we want to be your partner in creating financial solutions to your unique situation. You have a personal financial counselor and a support team, so feel free to call us even if you have forgotten your contact's name! This will take some work, but *IT'S WORTH IT!!!*

