

Money Minute Newsletter

May 2021

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Checking your Credit Easy, peasy!

Keeping tabs on your credit reports and credit scores is an important part of maintaining good credit history.

There are many factors that go into calculating a credit score, but the ones that influence your score the most are payment history and how much you owe. If you have maxed out your cards and are late with your payments, your score will decrease. By paying down your balances and paying on time, your score will start to increase. **Higher scores = Better credit**



Myth: Checking my credit will lower my credit score.

Fact: Checking your credit does not affect your credit score.

Many people think that checking their credit will negatively impact their credit score, but that is no longer true. You can and should check your credit at least once per year and more if you are trying to improve your credit score. Keeping an eye on your credit can help you catch mistakes made by creditors or lenders, or any attempts at identity theft by third parties.

You are entitled to one free report per year from each of the 3 credit reporting bureaus – Equifax, Experian, and TransUnion.

However, during the pandemic you are allowed to see your reports weekly. You will need to request each report separately, and be prepared to prove your identity with your name, birthday, social security number, and personal security questions.

Getting your credit report is

FREE and super easy at www.annualcreditreport.com



Contact Us

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MONEY! SEARCH AND
RESCUE

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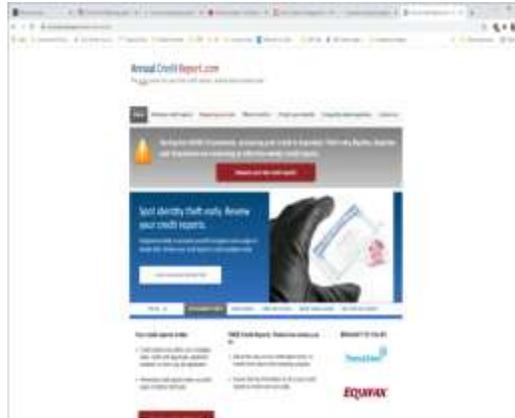
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This is the official secure government website. Be very cautious of any website that requires a fee to see your reports. You may also request copies by mail, allow 3 weeks for delivery.

Credit Karma is another free way to check your TransUnion and Experian credit reports and credit scores. You can access it online or via your phone. Go to <https://www.creditkarma.com/> to create an account.



Review Your Credit Report

Your credit report contains information such as your name (and past names), current and past addresses, social security number, birthday, current and former employers, current and former loans or credit cards, and new credit inquiries. It will also show your bill payment history, how much credit is available to you, how much credit you are using, any late payments, and if you have debt collections.

- ✓ Make sure that you recognize the information on your credit report including your personally identifiable information, such as names, addresses, social security number, accounts and loans.
- ✓ Then check that the other information on your credit report is accurate and complete.
- ✓ If you find information that you believe does not belong to you or is not correct, contact the business that issued the account or the credit reporting bureau that issued the report.



Repair Your Credit

Be wary of companies who claim they can repair your credit. You don't need to pay a credit repair company to fix your credit. In fact, most of these so called "credit clinics" are only in it to make money off of you. If they ask for any money up-front (before they have done anything), they are most likely scamming you! Under the federal Credit Repair Organizations Act, credit repair companies can't request or receive payment until they've completed the services they've promised. Learn to recognize a credit repair scam. Find out how to protect yourself by clicking [here](#).

You can and should dispute inaccurate information shown on your credit report. If you identify an error on your credit report, you can dispute that information with the credit reporting company (Experian, Equifax, and/or Transunion). You should explain in writing what you think is wrong, why, and include copies of documents that support the item you are disputing. You can also use these [instructions](#) and [template letter](#) as a guide.

Have **debt collections** shown up on your report? We'll cover that topic in our next newsletter, so hang tight! If you can't wait that long, call Money! Search and Rescue today at 707-269-2016!

Getting Started With Credit

If you've never had credit before, you may be "credit invisible" or lack sufficient credit history to produce a score. Not having a credit score can make it difficult to find a job, get an apartment, get good insurance rates, obtain financing or credit and more. But fear not, there are solutions. You may want to try some of these ideas to start your credit history.

- **Talk with your bank about a secured credit card or credit builder loan** - Not all banks offer this type of product. If your bank doesn't offer one, try another bank. You can also try www.Self.Inc for an online option. For a review about Self, click [here](#).
- **Apply for a retail store card** (like Target, Kohls, Walmart, etc.) These are typically easier to obtain and offer lower



credit lines. They often carry high interest rates however, so plan to pay them off monthly as you use them.

- **Have someone co-sign with you** – It’s your account, under your name but the co-signer takes on the same responsibility for paying the account as you. To the creditor, they are the back-up in case you default on your payments. But if you stop making payments, you hurt their credit too. It’s a big responsibility to either ask for, or to be a co-signer.
- **Become an “authorized user” on a credit card account** – This is when someone you know with good credit adds you as a user to their account. You get your own credit card, but again, if you don’t make timely payments you can hurt the account holder’s credit, or leave them with your expenses. To help boost your credit score, be sure that your timely payments (and not just the main account holder’s) are reported to the credit bureaus.
- **Experian Boost** lets you upload these good payment histories to “boost” your score.
 - ✓ Rental payment history
 - ✓ Utilities history: PG&E, cell phone, water, cable, garbage, Internet
 - ✓ Insurance payment history – auto, medical, home/renter, life, etc.

Go to <https://www.experian.com/consumer-products/score-boost.html>.

There are many nuances to credit and it can’t all be covered here. The Consumer Financial Protection Bureau has some great tools and resources regarding credit.

Click this link to find out more information:

<https://www.consumerfinance.gov/consumer-tools/credit-reports-and-scores/>

If you would like help checking, reviewing, or repairing your credit report or increasing your credit score, call **Money! Search and Rescue at 707-269-2016 TODAY!**

