

The Truth About Credit Repair

Have you ever heard these before?
 “Credit problems? No problem!”
 “Your bad credit erased...100% guaranteed!”

If you ever see this type of advertisement, BEWARE! There are numerous companies that claim they can “fix” your credit report for a fee. In most cases, they do little or nothing to fix your credit report. They dispute negative items on your report that may cause them to disappear temporarily, but they will reappear once the investigation is complete.

Many companies also claim they can create a new credit file for you by getting you a “new” social security number. This is illegal.

Your credit history is maintained by companies called credit bureaus. They are private companies that collect information that is reported to them by mortgage companies, banks, department stores, and other creditors. They can also legally report any accurate negative information for 7 years and bankruptcy information for up to 10 years. Any accurate negative items that are within the 7- or 10-year reporting period cannot be erased from your report by anyone—not even companies that advertise to “repair” your credit.

Steps to Correct Your Credit Report

1. Contact annualcreditreport.com to get copies of your credit reports for free once per year. You can get all of them at once or one every four months. Any corrections on one will be reported to all three.
2. Review your reports for mistakes. You can file a dispute with the credit bureaus and the creditor to report mistakes. You can also contact the credit bureaus if you do not understand any of the items on your report.
3. If your report is not corrected in a timely manner, file a complaint with the Consumer Financial Protection Bureau (CFPB). You can also submit a complaint to your state attorney general or consumer affairs department.



MYTH

Credit clinics and/or credit repair services can clean up your credit report.

FACT

No one can legally remove accurate information from a credit report. However, you can request an investigation on any information in your file that you dispute as inaccurate or incomplete.

You are entitled to a free copy of your personal credit report once per year and if you have been denied credit within the last 30 days. If you applied for credit, insurance, or employment and were denied due to the information supplied by the credit bureaus, the company that processed your application must provide you with the name and address of the credit bureau they used.

You can dispute mistakes or outdated items for free. Ask the credit reporting agency for a dispute form—or submit your dispute in writing—and include any supporting documentation. Note each item in your report that you wish to dispute, explain the reason for filing the dispute, and request an investigation. If the investigation does not resolve your dispute, you can request that your version of the dispute (100 words or less) be included in your file and in future reports.

Resources

- The website www.annualcreditreport.com provides free copies of your credit reports from the three main credit reporting agencies once per year.
- If you have a dispute, you should contact the credit bureaus directly. You are not required to purchase any products to view your report, initiate a dispute, or place an alert on your report.

Equifax (www.equifax.com/CreditReportAssistance/)

Experian (www.experian.com/help/)

TransUnion (<https://dispute.transunion.com>)

- The CFPB will accept your complaint about a credit repair company, a creditor, or a credit reporting agency and send you updates related to your complaint. For more information, go to <https://help.consumerfinance.gov/app/creditreporting/ask>.
- If you need additional assistance, please contact Navicore Solutions. A certified counselor will be able to discuss your options.

*The information in this brochure is meant as a guide.
Please check with the sources above for more information.*



An Educational Message from



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NATIONAL FOUNDATION FOR
CREDIT COUNSELING

*Knowing the difference can
make all the difference.*