

## 2. Check Your Credit Reports

Unfortunately, some credit reports contain serious errors that might cause individuals to be denied credit cards and other loans. That's why it is so important for you to regularly check your credit report. You don't need a credit repair company to fix mistakes on your credit report. Everything a credit repair clinic can do for you legally, you can do for yourself at little or no cost. If you find an error, take the following steps to correct it.

Make a copy of your credit report and circle every item you believe is incorrect.

- Write a letter to the credit bureau (the address will be printed on the report). Tell them, in writing, what information you think is inaccurate. Include copies (NOT originals) of documents that support your position. Explain each dispute and request an investigation to resolve the issues.
- Send all materials by certified mail, and request a return receipt, so that you can prove the packet was received.
- Send a similar letter of dispute to the creditor whose reports you disagree with.
- The credit bureau will initiate an investigation, contacting your creditors to verify the accuracy of the information. If the creditor cannot verify that the entry is correct, it must be removed. When the investigation is complete, the credit bureau must send you a free copy of your report if changes were made.
- If the investigation uncovers an error, you have the right to ask that a corrected version of your credit report be sent to everyone who received the report during the past six months.
- If an investigation doesn't resolve your dispute with the credit bureau, you can ask that a 100-word statement of the dispute (either written by you or the credit bureau) be included in your file and in future reports. The credit bureau must include this explanation in your report each time they send it out.
- Keep in mind that when negative information in your report is accurate, only the passage of time can assure its removal. Accurate negative information can generally stay on your report for seven years. Bankruptcies can remain on a credit report for up to ten years.

You should review your credit reports (business and personal) for accuracy once a year, as well as several months before applying for a loan. Make sure you check all credit reports, because credit bureaus don't necessarily share the same information. Personal credit reports are free if you make your request in writing and send it by mail.

When you request your own report, it is considered a consumer inquiry. This won't affect your score, as long as you order your credit report directly from one of the credit bureaus or through an organization authorized to provide credit reports to consumers.