

Do-It-Yourself Credit Repair Is Possible

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Can you repair your credit on your own? Yes. What does it take? Time and Effort. Think about it...you can do just about anything if you have time to learn how to do it and you put in the effort. So if you feel that you have the time and you want to put in the effort here is the process (in a nutshell).

1. Order Copies of Your Credit Reports. The first step is to get a copy of your credit report from each of the credit bureaus. The credit bureaus are Equifax, Trans Union and Experian. You can order a credit report from each bureau for free once a year through www.annualcreditreport.com.

Not all creditors and lenders report to all three of the credit bureaus. Some report only to one of the credit bureaus. So it is very likely to have different information on each of your credit reports. Ordering all three reports will give you a complete view of your credit history.

2. Examine Credit Reports Very Carefully: MOST people find several errors on their credit reports. Look carefully for errors such as accounts that aren't yours, payments that have been reported incorrectly, etc. Also make note of any public record judgments against you, past due accounts, collections and charged-off accounts.

3. Dispute Inaccurate Information: You have the right to dispute any information in your credit report that isn't correct. When you ordered your credit reports, they should have come with instructions for disputing credit report information. If not, you can send a letter to the credit bureau detailing the inaccurate information. It's often helpful to send a copy of the report with incorrect information highlighted. If the inaccurate information was reported to more than one of the credit bureaus then you will need to send the letter to each of the reporting bureaus.

4. Tackle Past Due Accounts: Payment history is a huge factor when determining your credit scores. The goal is to bring all accounts to a current status. Make a list of accounts that are past due, collections and charge-offs. Work with collection agencies & creditors to determine a plan to bring past due accounts current AND to pay-off those collections and charge-offs. If you have any public record judgments against you it is crucial to take care of those as soon as you can.

5. Bring Maxed Out Accounts Below The Limit: Available credit listed on your credit reports is another factor when determining your credit score. If your credit card is maxed out then you have no available credit. If you have a credit card balance that is only 50% of the available balance then you have the other 50% as available credit. All of your credit cards need to show balances under 50% of

the available credit in order to have the most positive effect on your credit score. Make a plan to pay down the balances to that point as soon as possible.

6. Establish New Credit: Many people who have had to repair their credit make the mistake of thinking that they should never obtain credit again. The truth is that in order to have the highest credit scores as possible you need to have some current positive credit at all times! One way to do this is to get a secured credit card.

If you do choose to repair your own credit then be patient with the process. It is a very time-consuming & long process. But it can be done. Many people do it!

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