

## Have You Checked Your Financial Profile Lately?

Have you requested and reviewed your credit report? If the answer isn't YES, I recommend you either do it right away or put it in on your schedule for after the holidays. Why? Because your credit report is your financial profile – it's your financial report card. Your credit report and score is as important to you as SAT scores are to high school students. Pretty much everyone is looking at your credit report – creditors, insurance companies, landlords, utility companies, and even employers. Let's take a peek at who's looking at your credit:

Financial institutions use it to determine whether to loan you money and at what interest rate. Insurance companies review your credit report to determine your premiums and whether to continue insuring you.

Potential employers may request your credit report to determine if they should hire you.

Landlords often review your credit report to determine if you're someone they want to rent to you.

The great thing is that you can request your credit report free every 12 months from the three major credit reporting agencies -- Equifax, Experian and Transunion. Requesting your credit report is simple -- you can request it online, by phone or mail:

[www.annualcreditreport.com](http://www.annualcreditreport.com)

877-322-8228

Annual Credit Report Request Service  
P.O. Box 105281  
Atlanta, GA 30348-5281

You can request all three credit reports at one time or you can stagger your requests. If your credit report is accurate and doesn't have any errors, you can easily monitor your credit by waiting four months and requesting the next credit report. However, I only recommend this if your credit report is error free. If you're married your spouse should also request and review his credit report.

Earlier this year my husband and I bought a new car. We decided to finance the car through our credit union because they were offering a 3.3% interest rate. The morning we bought the car I called the credit union to apply for the loan. The representative explained the interest rate could range from 3.3% to 10% depending on my credit report and score. After a few questions and checking my credit report, which took no more than three minutes the representative told me the interest rate would be 3.3%. He asked me a few more questions and told me it would be several more minutes for a decision on my loan request. Within two – three minutes he came back on the line and advised me that our loan was approved and we could pick up the check that day. I'm sharing this with you because it's an example of what happens when you have excellent credit. It's put you in the driver's seat and allows you to make choices.

Each of the credit reporting agencies -- Equifax, Experian and Transunion -- have different databases, which means your information often varies by report. Information found on your credit report includes:

Personal Information -- names, date of birth, current and previous address, current and previous employers

Credit accounts opened in your name -- including joint owners, authorized users and co-signed accounts

Bill paying history

Adverse public records including bankruptcy, judgments, suits, liens, wage attachments, etc.

Delinquent accounts and collections items

Past due accounts on file

Inquiry Information -- includes a list of companies that have requested your credit report and inquiry date. There are two types of inquiries – hard and soft. When you or an employer requests your credit report, it's considered a soft inquiry and doesn't affect your credit score. However, when a creditor requests your credit report, it's considered a hard inquiry and it can impact your credit score. Hard inquiries can remain on your credit report for two years.

Another important aspect of your financial report card is your credit score. Your credit score provides a guide to your risk for future credit. The higher your credit score, the lower your risk. Credit scores range from 300 to 850. The Fair Isaacs Company (FICO) has the most commonly used credit-scoring model. Although your credit report is free, there is a fee for your credit score.

Consumers can also receive a free credit report if they're unemployed and looking for employment, receive welfare or their file contains inaccurate information because of fraud.

Start next year out on good financial footing – request, review and correct your credit report (if necessary).

© 2008 Marcia Brixey