

How To Take Charge Of Your Credit Report

Who Controls Your Credit?

Ultimately, you're in control, but that's not the whole story. The three main organizations that maintain and provide consumer credit reports are Equifax, Experian, and TransUnion. These companies are all part of the U.S. credit reporting industry, which is a system of collecting financial information about individuals used to generate credit reports and scores.

- Equifax is one of the oldest and largest of these companies, founded in 1899 in Atlanta, Georgia. It maintains over 800 million consumer records globally across a network that includes banks, lenders, retailers, and utilities.
- Experian was established in the United Kingdom in 1997 and now has operations throughout Europe as well as the United States. They compile more than 25 billion records for their clients worldwide.
- TransUnion was founded in 1968 and is headquartered in Chicago with offices around the world. They have over 220 million consumer accounts under management within their database and create risk models for creditors to assess creditworthiness based on this data.

All three organizations collect financial information from customers' accounts such as loan payments or other debts they may have incurred to help them determine their level of risk should they extend further credit or offer services to them.

Why Lender's Care About Credit Reports

This information is then used to generate a person's credit report which contains details like available credit limits, outstanding balances on loans or other forms of debt, payment history on existing accounts, any circumstances where legal action was taken against them for non-payment or fraudulently obtained products/services etc., which can all be used by potential creditors when deciding whether to lend money or not.

These organizations also create individualized FICO scores based on this information which helps give creditors an idea of someone's overall financial health and how much risk they might pose if extended further services/products from them.

All three organizations play an important role in helping lenders determine whom to lend money too; however it is important for consumers to understand that these agencies are independent entities from lenders so even though they may receive a good score from them it doesn't necessarily guarantee that a lender will approve their application although it does put them at an advantage versus those who have lower scores or lack a consistent payment history with existing creditors/accounts etc..

How To Check Your Credit For Free

Getting access to one's free credit report is an important and beneficial part of keeping track of one's financial health. Knowing what is on your credit report—including both positive and negative items—is essential in order to make sound financial decisions. In the United States,

federal law entitles individuals to a free copy of their credit report from each of the three major credit bureaus (Equifax, Experian, and TransUnion) every 12 months.

Requesting a copy of one's credit report can be done through AnnualCreditReport.com or by calling 1-877-322-8228. To get a free copy, individuals should have their Social Security number, date of birth, current and previous addresses ready before making the request. If requesting online, it may also be necessary to provide additional personal information depending on how the consumer answers certain security questions.

It is advisable to request all three reports at once as they may contain different information due to variances in reporting cycles and data collection methods among the bureaus.

Disputing Inaccurate Credit Information

When reviewing a credit report, it is important for consumers to take note of any errors or discrepancies that might appear on the document, as this could have serious implications for their finances for months or years ahead. Any inaccurate data can result in higher interest rates and other unfavorable terms when applying for loans or other forms of financing down the road.

That being said, checking one's credit report regularly can help identify erroneous information that may have been reported in order to dispute them with the bureau or creditor responsible for its inclusion on one's record.

Additionally, keeping an eye out for any signs of identity theft such as unfamiliar accounts being opened without permission can also be detected via regular monitoring of one's account history outlined within their credit report. Ultimately, receiving a free copy of one's credit report annually helps ensure that they are aware of any changes made over time which impact their financial standing both now and into the future - helping them make more informed decisions with regards to managing their money responsibly and avoiding debt-related issues going forward.

STANDARDS: 5.12.7a, 5.12.7b, 5.12.7c, 5.12.7d