

Understanding Credit Reports

Courtesy of American Financial Solutions

You may wonder what is in a credit report. A credit report contains personal information, account history, inquiries section, public records and contact information for the credit bureau. The report is divided into several sections; let us examine each section of Dana's report individually.

Personal Information – name, social security number, records on file of previous addresses, etc.

Personal Credit Report		
Personal Information		
Name: Ms. Dana Thomas You have been in our files since 2001	File Number: 12566888 Date Issued: August 10, 2005	
CURRENT ADDRESS Address: 834 Washington Avenue # 28 Tacoma, Washington 98419	PREVIOUS ADDRESSES 828 West Decatur Olympia, Washington 98555	SSN: xxx-xx-9999 Date of Birth: 05/1994 Telephone: 555-3456
Date Reported: August 2003	Date Reported: November 2001	
	Employment History Johnson Services, Inc.	

Note the following items on this section of the credit report:

1. The file number is indicated; this gives Dana a way to notify the credit bureau of any errors in the report, by referring to this number.
2. The information shown on this section of the report is generally self-explanatory. However, there are a few items of personal data that Dana should strive to keep secure, in particular, her social security number and date of birth. Note that a portion of the social security number has been masked out--this is a desirable option when personal information is printed out.
3. Dana should examine all items, including the credit union's record of previous addresses and employment history, and notify the credit bureau of any errors.

Account History – the history of an account can be viewed as a summary or in detail.

Accounts in Good Standing	Account Number	Date Opened	Balance	Date Reported	Past Due	Credit Limit	Status
Key Bank	8894460001	8/4/2002	\$0	7/05	\$0	4,000	Pays as Agreed
Shell Oil Company	2227700001	2/1/2001	\$346	7/05	\$0	2,000	Pays as Agreed
Meyers Department Store	1111222001	3/1/2003	\$999	7/05	\$0	\$2,500	Pays as Agreed
AMEX	444330001	4/25/2003	\$1,200	7/05	\$0	\$5,000	Pays as Agreed
Closed Accounts							
Williams Apparel	1234565001	*	499	\$0 *	01/00	\$0	\$0 Pays as Agreed

Dana should review the accounts displayed in the report, including the balances reported. By clicking on the show details link, she can get a listing of the payments she has made, and the status of each payment. Late payments will be flagged with the number of days the payment was late. It is important that Dana verify the validity of the report contents, because potential creditors, landlords, or insurance companies may be able to examine this report, and make decisions based on report data. Additionally, Dana's credit score can be affected by contents of this report. The report may contain both active credit accounts and ones that have been closed.

Inquiries Section – will show inquiries by credit providers, landlords, insurance companies and others. A review inquiry is typically done by a company you owe money to ensure your credit is still in good standing. A promotional inquiry is typically done by a company who is evaluating your report for future credit – they may be planning to send you a promotional credit offer or other service.

Promotional Inquiries	Date Requested	Address	City	State	Zip	Phone
First National Bank	3/02	...	...	...	...	...
EZ-Loans	4/04	...	...	...	...	...
Commerce Savings	3/05	...	...	...	...	...

Account Review Inquiries	Date Requested	Address	City	State	Zip	Phone
Key Bank	3/05	...	...	...	...	...
Key Bank	5/05	...	...	...	...	...
Meyers Department Store	5/05	...	...	...	...	...

Another type of inquiry that may appear on the report is an internal inquiry, initiated by Dana herself. If she finds an error on the report and notifies the credit bureau, her action will appear as an internal inquiry.

Public Records Information

Although not illustrated in the credit bureau report for Dana Thomas, a credit report may contain information from the court system that a potential creditor might need to know. For example, a bankruptcy, lien, judgment or failure to make child support payments could be reported, or an account that has been turned over to a collection agency.

Contact Information

At the end of the credit report, you will find contact information, in case you wish to contact the credit bureau. There are three approaches--over the internet, by telephone, and by mail. The appropriate information for each method will be supplied on the report.