

Credit Repair.

If you or a loved one has filed bankruptcy or needed to adjust your debts, or even missed payments, your credit score may have suffered. Foreclosures and short sales, medical debt, and other issues may have also impacted your score. This article will provide some advice on repairing your credit score if has taken a hit lately.

The first thing you should know is what a credit score is and is not. This defines how worried you should be over it. It is a credit industry tool, used to gauge how much interest a lender will be able to squeeze out of you in the future. That is it, it is not a measure of your value as a human being.

If you are sixty-seven and own your own home, and are unlikely to need loans, I don't want you to give your credit score any attention whatsoever. If you are in your thirties, and are looking to get married and have children, then you should at least know what is going on with your score.

You should also be aware that employers are increasingly looking at credit scores to determine your suitability for a job. This is insanely stupid in most cases, but we have to deal with reality in life. For this reason, if you have an explanation for a problem, go ahead and dispute it with the lender and the credit bureaus. It is important to do everything in writing, and keep records when dealing with lenders and credit bureaus.

The FICO score goes from 300 points to 850 points. The higher the score, the better your credit standing. You can get a free copy of your credit report one time per year from each of the major credit reporting agencies: Equifax, Experian and Trans Union. This can be obtained at www.annualcreditreport.com. You do usually have to pay a bit to get your actual score, however.

The first thing you should do, is build up savings which are enough to get you through a 3-6 months of living expenses. You should do this before you spend any money on interest trying to rebuild your credit.

Next, you can shop around and find a card that reports to the credit bureaus, and take out a small loan, that you are confident you can repay on time, in order to build your credit history a bit. Often times credit unions will have better deals for people with poor credit histories.

I am not a big believer in credit repair companies. Many of them are simply out to scam you. I also think, as you can probably tell, that concentrating on building your savings is more important than spending money to build a credit score. This is just my opinion after 15 years practicing bankruptcy law. I work with one of the best in the business, a no nonsense person who will help you if you do see a real need for a home loan anytime soon. Just contact me for the referral.

I hope you find this information useful. Please remember that I am still here, and still enjoy what I do. If you, a family member, or a friend, need help with your finances please give me a call. I am here to help. Robert Gauss, Esq. 2/22/11. (303.670.4242)