

Disputing Errors on Your Credit Report

A Step by Step Guide

If you are in the process of reviewing your credit reports, the first thing to do is make sure that the information contained in the reports is correct. *Research has shown that up to 25% of all credit reports contain serious errors. 79% contain mistakes of some kind. 30% contain accounts that have been closed by the consumer but incorrectly remain listed as open.*

Source: U.S. Public Interest Group Research

Follow this procedure to correct errors on your credit report:

1. Make a copy of the report and circle the items you are questioning. Keep your original copy for your own records.
 2. Prepare a letter to the credit reporting agency that provided you with the report in question, and request to have the erroneous item (s) removed. If you have proof of payment for an item in question, include a copy of that documentation.
 3. Prepare a letter to the creditor reporting the problem, especially if you feel you are a victim or identity theft. Inform the creditor that you are disputing an error reported to the credit reporting agency, state why the claim is inaccurate, and include any relevant documentation to prove your point.
 4. Send your correspondence via certified mail.
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You should get a response from the credit reporting agency within 30 to 45 days. If the error has been corrected, they will send you a fresh copy of your credit report at no charge to show you that the item has been removed. They will either fix the problem and send a corrected report to any entity that received a report that contained errors within the last 6 months, or if more research is needed you will be notified.

Dispute Tips

The Dispute Form is being provided as a simplified means of communicating legitimate dispute only. By no means should accurate, valid, and verifiable information be disputed.

Steps to Dispute the accuracy of any item on your credit report

1. Fill out the dispute form completely. Supply photocopies of all proof of payment and /or documentation.
2. If you dispute information from more than one agency, fill out a separate form and dispute the information directly with them.
3. If your identifying information differs from the information listed on the credit report, a photocopy of your driver's license, social security card, and recent utility bill will help the credit reporting agency expedite the reinvestigation.
4. Keep a photocopy of all information mailed to the credit reporting agencies for your records.
5. Sign and mail directly to the credit reporting agency who reported the information. The addresses are listed at the bottom of the DISPUTE FORM.

Stop
Your Personal Information From Being Sold!

Recently, the three major credit repositories, TransUnion, Experian, and Equifax, have begun selling personal information to multiple mortgage marketing firms without your knowledge or consent.

When a loan application is made and a credit report is ordered, your personal information including credit history, credit scores, social security number, addresses, and phone numbers are being collected and immediately sold by the repository as a pre-screened prospect. This may cause a large number of unsolicited phone calls to you by mortgage company phone rooms around the country.

Stepping Stone Mortgage does not condone or participate in this practice in any way. It is being done directly by TransUnion, Experian, and Equifax.

You can stop your information from being released by going to www.optoutprescreen.com or by calling 1-800-567-8688.

Annual Credit Report Request Form

You have the right to get a free copy of your credit file disclosure, commonly called a credit report, once every 12 months, from each of the nationwide consumer credit reporting companies - Equifax, Experian and TransUnion.

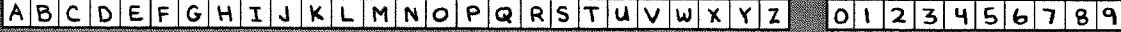
For instant access to your free credit report, visit www.annualcreditreport.com.

For more information on obtaining your free credit report, visit www.annualcreditreport.com or call 877-322-8228.

Use this form if you prefer to write to request your credit report from any, or all, of the nationwide consumer credit reporting companies. The following information is required to process your request. Omission of any information may delay your request.

Once complete, fold (do not staple or tape), place into a #10 envelope, affix required postage and mail to: Annual Credit Report Request Service P.O. Box 105281 Atlanta, GA 30348-5281.

Please use a Black or Blue Pen and write your responses in PRINTED CAPITAL LETTERS without touching the sides of the boxes like the examples listed below:



Social Security Number:

Grid for Social Security Number

Date of Birth:

Grid for Date of Birth (Month/Day/Year)

Fold Here

Fold Here

Grid for First Name and M.I.

Grid for Last Name and suffix (JR, SR, III, etc.)

Current Mailing Address:

Grid for House Number and Street Name

Grid for Apartment Number / Private Mailbox and For Puerto Rico Only: Print Urbanization Name

Grid for City, State, and ZipCode

Previous Mailing Address (complete only if at current mailing address for less than two years):

Grid for House Number and Street Name

Fold Here

Fold Here

Grid for Apartment Number / Private Mailbox and For Puerto Rico Only: Print Urbanization Name

Grid for City, State, and ZipCode

Shading instructions and selection options for credit report source and security features.



If additional information is needed to process your request, the consumer credit reporting company will contact you by mail.

Your request will be processed within 15 days of receipt and then mailed to you.

Facts and Fallacies: The Truth about Your Credit.

Fallacy: *My Score determines whether or not I get credit.*

Fact: Lenders use a number of facts to make credit decisions, including your FICO score. Lenders look at debt you can reasonably handle given your income, your employment history, and your credit history. Based on their analysis of this information, as well as their specific underwriting policies, lenders may extend credit to you though your score is low, or decline your request for credit although your score is high.

Fallacy: *A Poor score will haunt me forever.*

Fact: Just the opposite is true. A score is a “snapshot” of your risk at a particular point in time. It changes as new information is added to your bank and credit bureau files. Scores change gradually as you change the way you handle credit. For example, past credit problems impact your score less as time passes. Lenders request a current score when you submit a credit application, so they have the most recent information available. Therefore by taking the time to improve your score, you can qualify for more favorable interest rates.

Fallacy: *Credit Scoring is unfair to minorities.*

Fact: Scoring considers only credit related information. Factors like gender, race, nationality and marital status are not included. In fact, the Equal Credit Opportunity Act (ECOA) prohibits lenders from considering this type of information when issuing credit. Independent research has been done to make sure that credit scoring is not unfair to minorities or people with little credit history. Scoring has proven to be an accurate and consistent measure of repayment for all people who have some credit history. In other words, at a given score, non-minority and minority applicants are equally likely to pay as agreed.

Fallacy: *Credit Scoring infringes on my privacy.*

Fact: Credit Scoring evaluates the same information lenders already look at—the credit bureau report, credit application, and/or your bank file. A score is simply a numeric summary of that information. Lenders using scoring sometimes ask for less information—fewer questions on the application form, for example.

Fallacy: *My score will drop if I apply for new credit.*

Fact: If it does, it probably won't drop much. If you apply for several credit cards within a short period of time, multiple requests for your credit report information (called "inquiries") will appear on your report. Looking for new credit can equate with higher risk, but most credit scores are not affected by multiple inquiries from auto or mortgage lenders within a short period of time. Typically, these are treated as a single inquiry and will have little impact on the credit score.