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All Credit Experts Are Not Created Equal

By Linda Ferrari
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Over the last few years, the important issue of credit awareness has gone mainstream. Every time you open up your web browser or your newspaper, there's another article on how "you too can have a 780 credit score." Make no mistake about it, I have beaten the drum for years about the importance of credit education. Indeed, good credit is the linchpin for long-term financial success. And, I am pleased that this important issue has stepped out of the shadows and into the spotlight where it belongs. However, the problem with the mass dissemination of this truly important information is that not all of it is accurate or even correct. And it is virtually impossible for a consumer to separate out the truly helpful information from a well-turned sales pitch or a

well-meaning, but misguided report.

With years of experience in the trenches repairing credit, I view most of the media proliferation of credit advice as ranging from superficial to potentially destructive. It's abundantly clear to me that many alleged experts who offer tips on repairing credit have never repaired anyone's credit. So riddle me this: how do American consumers benefit when a self-proclaimed "credit expert"--among other things--who has never repaired anyone's credit has their face splashed across a mass-produced, nationally distributed credit repair kit? This misrepresentation is extremely problematic when you face a serious credit repair issue and you are unable to make a clear choice for how to solve the problem and close the deal.

Everyone has their strengths. Mine is that I am a full-fledged credit improvement and education expert. I have earned the right to say this because I have helped improve literally thousands of individuals' credit scores, enabling them to live out their dreams of home ownership I am not saying this to self-promote. Rather, I am simply going on record to say that, unlike some media savvy, one size fits all, so-called "financial experts" who claim to know everything about mortgages, stocks, credit and everything but the kitchen sink, I know credit repair inside and out. Credit repair is completely doable. Trust me, I have seen it all, and there is very little that can't be fixed provided you know the right resources to tap.

Here are three credit repair success stories that I want to share with you, situations that I am sure you have encountered many times, but didn't realize that improvement could be made by tapping the right resources:

Case One:

A client came to me with a 602 credit score. Other than a few aged late pays, he had a fairly decent credit history. As a result, he could not understand the reason for his low credit score. He asked me to figure out why. After evaluating his reports, we found a home equity line of credit (HELOC) account listed as a REVOLVING account. This account had a limit of \$49,000, but had a balance due of \$49,500. As a result of the type of account attached to this credit line, the client appeared to have a credit card (revolving) account that was over its limit.

There are two reasons why you never want to go over your limit. They are:

1. Going over the limit gives the impression that you are in financial distress.
2. Over limit gives the impression that you do not follow the agreements made with your creditors making you a bad credit risk. It appeared that the client had agreed upon a limit of \$49,000, and then unilaterally opted to exceed that limit.

Since a HELOC is actually a secured loan, we worked with the credit bureaus and the lender to change

the type of account from "Revolving" to "Other". (The first preference for changing the type of account in this situation is "Installment", but when our request is rejected, "Other" is a good second. Once we managed that single change, his score shot up 100 points, literally overnight. Why? Because we removed an over the limit revolving account from his profile.

Case Two:

Another client had immaculate credit until she incurred a 30-day late on her mortgage payment. This caused her score to go DOWN 80 POINTS. The bureaus reported the late payment in January, but the client knew she wasn't late in January, but rather in December. So, we called the creditor, and without acknowledging the December late pay, explained that they mistakenly reported a 30-day late in January that had not occurred. We then asked them to research it. They confirmed that our client was not late in January. As a result, the creditor willingly faxed a letter to our client confirming their error. The client took the letter to her mortgage broker who performed a rapid re-score. Her score shot up 75 points immediately. How did we manage it? The law states that creditors and bureaus must remove inaccurately reported information. That's why it is so important to verify all reported items on a derogatory account before conceding. Yes, in this case, the client was late in December. However, the report did not reflect this fact. Therefore, by law, the creditor had to expel it from her reports.

Case Three:

In 80% of all cases, bankruptcies are inaccurately reported. So, whenever we have a client with a bankruptcy, the first thing we do is verify that every item included within the bankruptcy is accurately reported. This serves on a general basis, but came through in spades just a couple of months ago when a client came to us with a 560 score. After conducting our standard bankruptcy check for accuracy, her score went up 60 points in just 8 weeks. She had a bankruptcy and her score jumped to 620. How did we do this? Well, she had four bankruptcy accounts that were all shown as "charge-offs". Two of them had past-due balances. So, we requested that the type of account for all four be changed to "Included in BK." They complied with our request and the past-due balances were zeroed-out.

As clearly illustrated by those success stories, credit repair miracles are real and within the reach of those who know the ropes. That is why I want you to make sure you trust the person who gives you advice regarding your credit and financial issues—they can do great things. The right advice will advance your goals, while the wrong advice will take you even farther away from them. In fact, a wrong move can further lower your score by as much as 80 points. I want to empower with the proper resources regarding credit education and credit repair so that you are able to make the best choices for you and your family.

In Conclusion:

Good credit doesn't start with a big paycheck. It starts with knowledge. There is a profound hunger among consumers for credit education. This demand has forced an onslaught of journalistic stories and tips. But, as with every other well-worn advice, not all of it is good and some of it is downright bad. I am committed to clearing away the smoke for you by providing you the kind of credit education that can make a tremendous difference in your future. If you have questions or concerns about your credit score, improvement or repair, you are always welcome to contact me. With access to the most professional and ethical credit education and repair experts, we will work together to get you the answers you need.

All the Best,
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Please feel free to send your questions to info@creditresourcecorp.com.

Linda Ferrari also does live presentations for consumers and loan officers. Call us to schedule Linda for your next consumer event or loan officer training. [CLICK HERE](#) to download Linda's seminar outline.