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Good Credit is a Valuable Possession

The most valuable thing we possess is our name and the most common reflection of our reputation as a responsible consumer is our credit report. Many credit reports contain errors serious enough to bring about a contradiction in credit, according to a recent report by the National Association of Public Interest Research Groups on credit file mistakes.

Unfortunately, the information that is in credit reports does not always tell a true story. According to the study by PIRG, 79 percent of all individual credit files contain mistakes, many of which are not significant enough to detour a credit application, but are typos, incorrect dates and other entry errors.

Much of the information contained in credit reports is bought and sold daily to anyone who requests and pays for them.

Consumers with serious flaws in their credit reports can be denied credit, home coverage and the right to open a bank account or have a debit card. Some consumers may be faced with high interest rates as well, due to the serious errors in their reports that falsely place them in the sub-prime, high-cost lending pool.

Some key findings in a study done by PIRG with adults in 30 states include:

- Twenty-five percent of the credit reports surveyed contained serious errors that could result in the denial of credit, such as false delinquencies or accounts that did not belong to the consumer.
- Fifty-four percent of the credit reports contained personal demographic information that was misspelled, outdated, belonged to a stranger or was incorrect.

- Twenty-two percent of the credit reports listed the same mortgage or loan twice.
- Nearly eight percent of the credit reports were missing major credit, loan, mortgage or other consumer accounts that demonstrate the creditworthiness of the consumer.
- Thirty percent of the credit reports contained credit accounts that had been closed by the consumer but remained listed as open.
- Seventy-nine percent of the credit reports surveyed contained either serious errors or other mistakes of some kind.

Credit report reviews used to be something that was conducted when a consumer discovered a mistake or activity resembling identity theft after they were denied credit. It is very important to encourage people to review their credit so they, too, do not become a victim of credit deception.

To get a free copy of one's credit report from each of the three major credit bureaus once each year, go to annualcreditreport.com to request copies. The Oklahoma Cooperative Extension Service offers its programs to all eligible persons regardless of race, color, national origin, gender, religion, age, disability, or status as a veteran and is an equal opportunity employer. Information given herein is for educational purposes only. References made to commercial products or trade names are with the understanding that no discrimination is intended and no endorsement is implied. Oklahoma State University, U.S. Department of Agriculture, State and Local Governments Cooperating.