



Understanding Credit:

A Summary of Resources for Victims of Domestic Violence

Understanding your credit score is an important step in gaining independence and building financial freedom. Since abusers often manipulate, control, and ruin a victim's credit as a tactic of abuse, this can be a critical step to rebuilding stability and safety for survivors of domestic violence.

The first step to mastering credit basics is to access and review your credit report. A credit report provides information about you, your ability to pay your past debts, and assigns you a credit score. Upon request, each of the three credit reporting agencies (Equifax, Experian and TransUnion) must provide you with a free copy of your credit report every 12 months. A central website handles requests for the three agencies and you may order your reports online, by phone, or by mail. While you can obtain a copy of your credit report for free, you will have to pay a small fee for the actual score. The contact information for the website and three credit reporting agencies is below.

Equifax: 1-800-525-6285; www.equifax.com	Annual Credit Report Request Service P.O. Box 105281 Atlanta, GA 30348-5281 1-877-322-8228 www.annualcreditreport.com
Experian: 1-888-397-3742; www.experian.com	
TransUnion: 1-800-680-7289; www.transunion.com	
Note: Be aware, Annual Credit Report Request Service is the only official way to access your yearly free credit report. Other websites and services are private businesses and may charge fees.	

Why is good credit important?

Good credit allows you to obtain loans and credit cards with the best interest rates, and is also looked at by potential landlords and employers.

Does checking your credit report lower your credit rating?

Checking your credit score does not hurt your credit rating. The credit scoring system is set up so that self-inquiries do not count towards lowering or raising one's credit score. In addition, credit inquiries made by credit card companies or mortgage lenders checking your credit report to send you pre-approved offers do not count either. However, if you respond to those offers and the credit card company or mortgage lender pulls your credit report to do a more thorough investigation, it does count. It also counts every time you apply for any sort of financing, housing, insurance, etc., and your credit report is pulled and can lower your score by five points.

Where can I get help to improve my credit?

Work with a reputable, not-for-profit, community-based credit counseling organization that provides one-on-one assistance; contact the National Foundation for Credit Counseling to find a provider in your area at www.nfcc.org. Don't confuse expensive credit-repair clinics with legitimate nonprofit credit counseling organizations and be careful of organizations that charge upfront fees, make unrealistic promises, or lack accreditation credentials. Using non-reputable organizations can actually harm your credit. This topic is discussed further in the Economic Justice Module 3. To access that, please visit:

<http://nnedv.org/resources/ejresources/ejcurriculum.html>.

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Adapted in part from the Moving Ahead Through Financial Management Curriculum. For more information, please see <http://nnedv.org/resources/ejresources/ejcurriculum.html>