



Proven Strategies: Fix Your Credit

Description

On an individual basis, you may have a lot of ways to take advantage of the current economic situation. Opportunities abound if you have a fist full of cash and/or excellent credit. The sad reality is that most of us have neither. While I could write about a number of ways to fill your hands and pockets with cash, this article is about fixing your credit.

You see, if you don't fix your credit, your ability to put cash together to take advantage of opportunities will be limited. We live in a credit-based society, and many items are overpriced due to the availability of credit. Do you really think that homes and cars would cost so much money if people had to pay cash for them? Of course, they would not cost so much!

Credit Repair Options

The burning question then is "how to fix your credit?" You have two choices: 1) Do it yourself, or 2) Hire a professional. Let's think this through.

If you opt for the Do-It-Yourself route, you need to do a lot of research. Why? The decks are stacked against you. Every American wants perfect credit. If it was so easy to fix their credit themselves, they would have done it by now. The average American's credit score has been increasing of late, which is a new trend versus a decade ago. The average American's credit score is now 714, up from 693 in 2013.

You could research the credit laws, pore over case histories, and study the various Federal and State Acts and laws that have been enacted to protect your consumer rights. Then, you could write brilliant letters espousing your innocence against the spurious allegations against you that say that you do not honor your commitments and pay your debts. You could keep meticulous records, building evidence for lawsuits that you would later file against your creditors, collection agencies, and credit bureaus.

The sad truth is that you could do all of these things yourself. The sadder truth is that you probably won't. Most consumers make a brief effort to write a couple of letters and hope their credit reports will magically improve. Unfortunately, these feeble attempts rarely achieve the goals set by these same

consumers, and they sadly give up, and face their fate.

Even those who get proactive, take all the right steps, keep their documentation in order, and follow-through are in for a battle that could last two years or longer, and still not get the results they desire. Your creditors, in concert with the credit reporting agencies and others, have spent a lot of money to back those very same Federal Acts and other legislation that supposedly protect your rights.

Consumer Credit Laws

Do you realize that these laws do little to protect you, but do a lot to protect those who disparage your reputation by saying you don't pay your bills? It's sad, but true. In fact, the three major credit bureaus have spent millions of dollars in lobbying for laws that severely restrict the ability of third parties that would help you fix your credit.

Nearly every state in the union has laws set-up to make it very difficult for a so-called "credit repair company" to exist and do business. Why would they fight so hard for this? The reason is simple, "The CRAs do not want you to engage professional help, because they know it works!"

Consumer Reporting Agencies exist for one reason only. They exist to protect the creditors and collection agencies who provide data to them and who rely on this data to make credit decisions. It makes sense that the CRAs would rather have inaccurate, negative data against you than to possibly miss something negative.

Since your creditors use the data provided by the CRAs to turn down all but the most solid risks, it is in the best interest of the CRAs to ensure that ALL potentially negative information about you is reflected on YOUR credit report. If the CRA told your creditor that you had a very low risk of default, your creditor gave you a loan, and then you defaulted; it makes them look bad!

CRA Tactics

This is why, when you try to get the CRA to remove any adverse information (regardless of merit) they do everything in their power to avoid removing the item. They stall; they force you to jump through hoops; then they ask for more information. The CRAs simply tell you that the creditor has confirmed the information as accurate. They tell you that your dispute is frivolous. The CRAs do all of these things, because they know that you will probably not follow-up.

They count on the fact that you do not know your rights, and that puts you at their mercy. This is why you need PROFESSIONAL help. A professional has seen all of these tactics, knows the laws that protect consumers, can cut through the stalls, and attack the CRAs and your creditors using the laws in YOUR favor.

Sure, you could do the work yourself. However, I don't know a single cardiologist who would do her own angioplasty.

Seeking Professional Help

A professional should be able to get results for you within three to six months, rather than the two

years or longer it might take you to do it yourself. Considering the cost of bad credit in higher interest rates and lost opportunities, it is an investment with a very high return.

Where and how do you find a professional? This is the difficult question. You can hire an attorney to do this for you, but that could cost you thousands of dollars, try to find a company that charges a low monthly fee to do the work (and their motivation to work quickly will be?), or seek an organization that charges a flat, fair amount of money, but actually gets the job done.

Whichever route you choose, choose wisely, because credit repair organizations earned the bad rap they received back in the 90s by not performing. Things are much better now, but you need to choose your solution wisely. Do your homework. Ask the right questions.

Help is available, if you know where to look, and whom to ask. Fix your credit, and then we can talk about how to use that access to capital to start building your wealth.

The first step will be to [get a copy of your credit report](#). Once you review your report, you can then determine the level of work involved in getting your score to your goals.

If you are just starting out with credit, learn [how to establish or reestablish your credit](#).

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