Money Habits: What is Credit and How Does It Affect Financial Decisions?

Resource Annotation: Bank of America's Video Series, *Money Habits*: www.bettermoneyhabits.com
This free video series offered by Bank of America explains personal finance concepts using animated cartoons and Khan Academy graphing demonstrations. The video clip on credit explains the difference between a credit report and a credit score and can be paired with this lesson provided by the Maryland Council on Economic Education.

Grade Level: High School

Duration: One 50 Minute Period

Economic Concepts: Credit, Debt

Maryland State Curriculum
Financial Literacy Standard 4: *Manage Credit and Debt*
4.0 Students will develop skills to make informed decisions about incurring debt and maintaining credit worthiness.

Maryland College and Career Ready Curricula Framework; English/ Language Arts
L.1 Demonstrate command of the conventions of standard English grammar and usage when writing or speaking. (SC, 9-10, 11-12)

SL1 Initiate and participate effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on grades 9,10,11,12 topics, texts, and issues, building on others' ideas and expressing their own clearly and persuasively. (SC, 9-10, 11-12)

SL.1b Work with peers to set rules for collegial discussions and decision-making (e.g., informal consensus, taking votes on key issues, presenting alternate views), clear goals and deadlines, and individual roles as needed. (SC, 9-10)

SL.1b Work with peers to promote civil, democratic discussions and decision-making, set clear goals and deadlines, and establish individual roles as needed. (SC, 11-12)

SL1 Initiate and participate effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on grades 9-10, 11-12 topics, texts, and issues, building on others' ideas and expressing their own clearly and persuasively. (SC, 9-10, 11-12)

SL2 Integrate multiple sources of information presented in diverse media or formats (e.g., visually, quantitatively, orally) evaluating the credibility and accuracy of each source. (SC, 9-10)

SL2 Integrate multiple sources of information presented in diverse media or formats (e.g., visually, quantitatively, orally) in order to make informed decisions and solve problems, evaluating the credibility and accuracy of each source and noting any discrepancies among the data. (SC, 11-12)

Objectives: Students will be able to:
- define credit, debt, a credit report, and credit worthiness,
- identify the three major credit reporting agencies,
- explain the difference between a credit report and a credit score,
- identify poor, fair, and good credit report scores,
- analyze credit reports and find evidence that indicates overall credit performance,

- compare and contrast different examples of credit reports and credit histories to determine implications of individual financial well-being.

Vocabulary

- Credit
- Credit Report
- Credit Score
- Credit Worthiness
- Debt

See Resource 5, *Vocabulary*

Materials

- Resource 1: *Sample Student Report Card* (for overhead or document camera)
- Resource 2: *Money Habits Credit Score Infographic* (1 per student). Access the form through this link, www.bettermoneyhabits.com/credit/what-is-a-credit-score/difference-credit-report-credit-score.html
- Resource 3: *What's the Difference between a Credit Report and a Credit Score? Concept Map* (1 per student)
- Online Access:
    - Pull up **Money Habits** video link on **"What's the difference between a credit report and a credit score?"** www.bettermoneyhabits.com/credit/what-is-a-credit-score/difference-credit-report-credit-score.html
- Sheets of lined paper for student note-taking
- Resource 4 a-e: A series of five different sample credit reports; 1 per group. Please note that each group would receive a pair of forms marked with a number and a letter.
- Resource 4a-e for use with an overhead or document camera (1 copy of each)
- Resource 5: *Vocabulary* for use with an overhead or document camera (1 copy of each)
- Resource 6: *Credit Score Range* for use with an overhead or document camera (1 copy of each)
- Resource 7: *What is a Good Credit Score Range?* for use with an overhead or document camera (1 copy of each)

Student Background

Recommend that students have a basic working knowledge of what credit is and for what purposes credit is used. For a great lesson on the basics of credit along with an interactive video clip, check out the lesson plan, *The Costs of Credit* www.econedlink.org/lessons/index.php?lid=175&type=educator and the video, www.econedlink.org/interactives/index.php?iid=228&type=student .

Motivation

Display Resource 1: *Sample Student Report Card* and ask the students the following questions:

- Why do we have report cards?
- What do report cards tell us?
- How do we know the difference between students that are performing well in school verses those who are not?

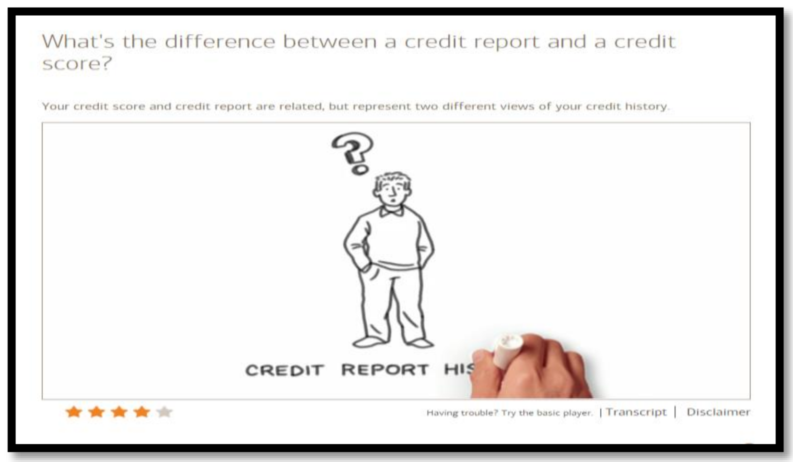
  Answers will vary but should contain information about how report cards essentially are a compilation of students' performance in a subject at a given point in time. We can determine student progress in an individual course by the grade they earn. Particular grades indicate excellent, above average, average, below average and failing performance.

Procedure

1. Explain to students that just like schools send report cards to parents/guardians to let them know how their student(s) are performing in their classes, credit histories and scores are used by potential lenders to assess individual bill paying performance. As shared in our opening discussion, specific grades indicate either exceptional, above average, average, below average and or failing class performance. And, certain measures or rubrics are used to indicate to us what the grades actually mean. Credit reports have a similar approach in that it offers certain information to creditors, those financial institutions that you might be interested in borrowing

from, about your credit history, credit worthiness and credit performance over time. In calculating subject grades, teachers may weigh the various assignments differently. For example, quizzes may constitute 25% of your grade, while tests are worth 50% of your grade. This is also true of credit reports. Information contained in the credit report may be weighed differently to arrive at a credit score. To learn more about credit, credit history, and credit performance, we're going to watch a video, and analyze a hand-out to complete a concept map.

2. Distribute a copy of Resource 2: *Money Habits Credit Score Infographic* to each student along with Resource 3: *What's the Difference between a Credit Report and a Credit Score? A Concept Map* and play Bank of America's Money Habit's video, *What's the Difference between a Credit Report and a Credit Score?* Recommend that students take notes on a separate sheet of paper during the video so that they can complete the concept map correctly. Tell students to be careful about how they complete the concept map in that some components of the credit report are more heavily weighted than others.



3. Allow the students 5-10 minutes after the video to complete Resource 3: *What's the Difference between a Credit Report and a Credit Score? A Concept Map*.

4. Go over the responses on Resource 3 with the students to reinforce and clarify student understanding. Use the following questions to guide the discussion:
   - What is a credit report? *(Refer to Resource 5; Vocabulary Sheet)*
   - What is a credit score? *(Refer to Resource 5; Vocabulary)*
   - What are the different components of a credit report? *(Refer to Resource 2)*
   - Are the components weighted differently? *Yes*. And if so, how? *(Refer to Resource 2)*
   - By examining the different components of a credit report, what section of the credit report would you focus your efforts on improving if you wanted to increase your overall score? *(Payment history and total owed; Refer to Resource 2)*

     Optional: Although Resource 5 is intended as a teacher resource, you may wish to display definitions as you go over the question prompts with students.

5. Separate students into groups of four or five and distribute a sample credit report (Resources 4 a-e) to each group and a copy of Resource 6. Please note that each sample credit report is different in some way and contains two parts: a "How to Read" and a "Sample Report." Make sure each member of a group has the exact same copy of the sample credit report. *(Group 4E has no instructions on how to read the credit report. Teacher may wish to help guide the group. In addition, we recommend circulating among all the groups to help provide direction on information in the reports that may impact credit scoring. For example, collections or late payments.)*

6. Direct each group to analyze the credit reports and list on a separate sheet of lined paper the evidence contained in the document that would suggest information about the individual's credit worthiness. Have each group recommend or vote on a credit score range based on evidence contained in the report. Display Resource 6 on a document camera or LCD projector to serve as their score guide.

7. Once each group has completed their analysis, display the individual group's sample credit report, one at a time, on a screen. Direct the groups to select a spokesperson to present the groups' suggested credit score range and evidence. Then instruct the class to review the group analysis and determine, by a show a hands, whether they agree with the score or not. Should there be disagreement over the groups' rating, have students indicate what evidence in the report might suggest a different score?

Conclusion:

1. In summation, ask students why they think this information is useful to lenders? If a consumer had a poor credit history, and score, what steps might they take, given the way the report and its components are weighted, to improve their score? Where would you first suggest that an individual focus his or her efforts to improve their score and why? *Individuals can improve their credit scores by paying their bills on time and decreasing their overall debt; thus improving their overall percentage of indebtedness.*

2. Share with students that credit reports and scores are not only used by potential creditors, or lenders but also by potential landlords, employers, and insurance agencies. DISCUSS: If you had to write an article for an online news source, what advice would you provide your readers about credit?

3. Display Resource 7 and ask students if they can identify a correlation between credit performance and interest rates, and the cost of insurance? *Interest rates and the cost of insurance increases with riskier borrowers; that is for individuals with slow to poor credit histories*.

4. For recommendations on how to improve credit scores, play the ***Better Money Habits*** video, "How much impact do negative marks have on your credit score?" www.bettermoneyhabits.com/credit/managing-my-credit-report/negative-credit-report.html

Assessment

Have students, individually, write a 1 page, typed, single spaced news article that discusses the importance of a credit report, credit history, credit worthiness, and credit score to potential lenders, employers, and landlords. Tell students that that their advice must be researched-based and factual. Direct students to include a separate page that cites their research in APA format.

Sample Student Report Card

High School Report Card

Student Name:	**Jane Doe**			**School Name:**	**The Apple Academy**
School Year:	**2014-2015**	**Student Grade:**	**11**	**Address:**	**2345 Apple Highway, USA**
Days Attended:	**185**	**Days Absent:**	**6**		
Teacher Name:	**Debbie Dollar**				
Principal Name:	**Mary Ann Cents**				
Teacher Signature:	Debbie Dollar			**Principal Signature:**	Mary Ann Cents

The Apple Academy; a High School focused on developing 21st century College and Career-ready men and women!

Course	**Level**	**Credits**	**1st Semester Grade**	**2nd Semester Grade**	**Final Grade (only if using number values for semester grades)**	**Comments**
English	**HN**	1	A	**B**	**B+**	
Civics	**AP**	1	**B**	**B**	**B**	
French III	**CP**	1	**B**	**B**	**B**	
German V	**CP**	1	**C**	**C**	**C**	
Foods 1	**CP**	0.5	**A**	**A**	**A**	
Phys. Ed	**CP**	0.5	**A**	**A**	**A**	
Drivers Ed	**CP**	0.5	**A**	**A**	**A**	
Algebra II	**CP**	1	**C**	**B**	**C+**	
	Total Credits :	6.5				

Course Level Key	
Honors Course	HN
Advanced Placement Course	AP
College Prep Course	CP

Credit Key	
1 semester course	.5 credits
2 semester course	1 credit

Grading Scale Key		
Grade	**Low %**	**High %**
A	0.9	1
B	0.8	0.89
C	0.7	0.79
D	0.6	0.69
F	below 60%	

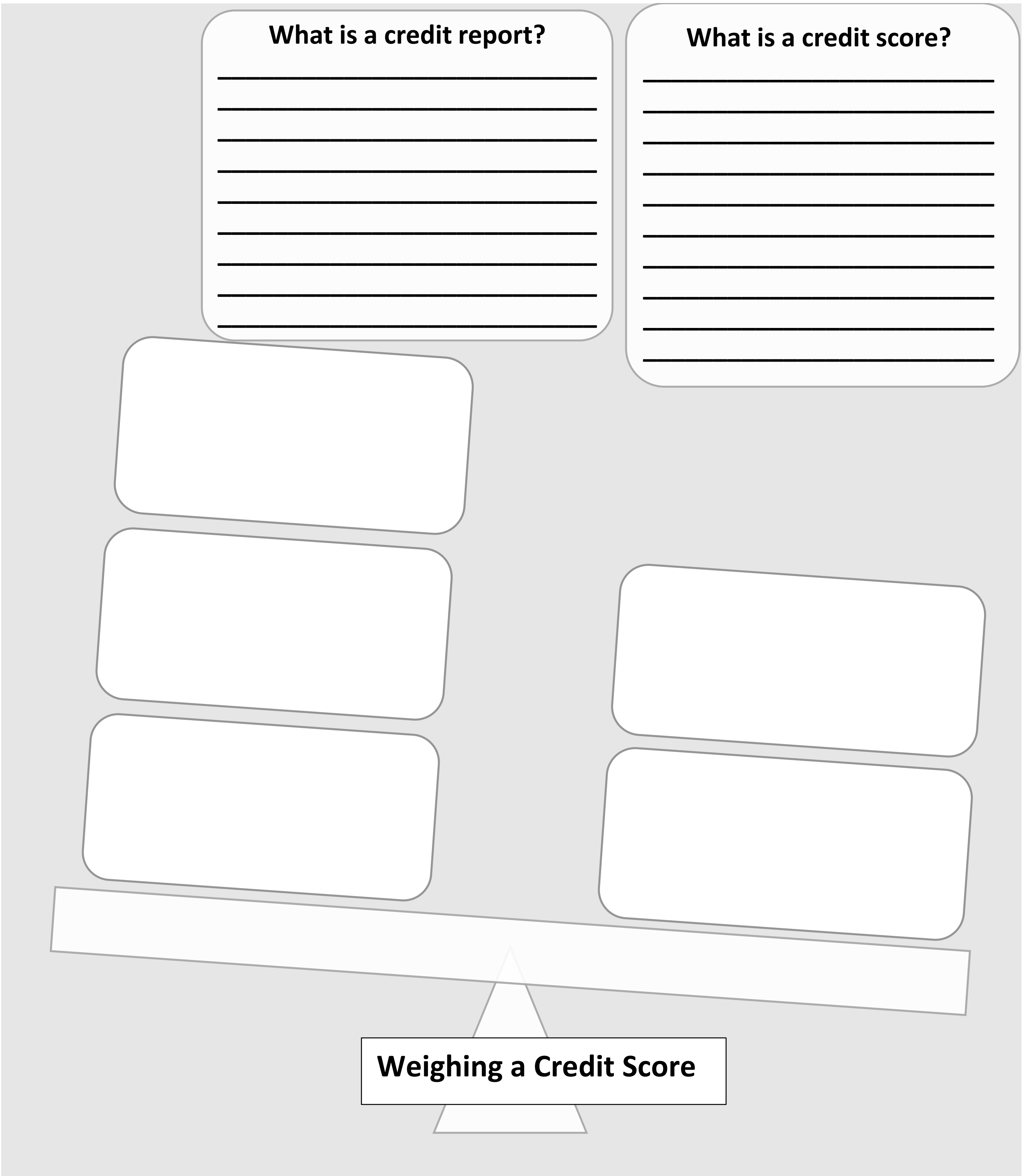
Money Habits Credit Score Infographic

Source: www.bettermoneyhabits.com/credit/what-is-a-credit-score/how-credit-score-is-calculated.html

3

What's the Difference between a Credit Report and a Credit Score?

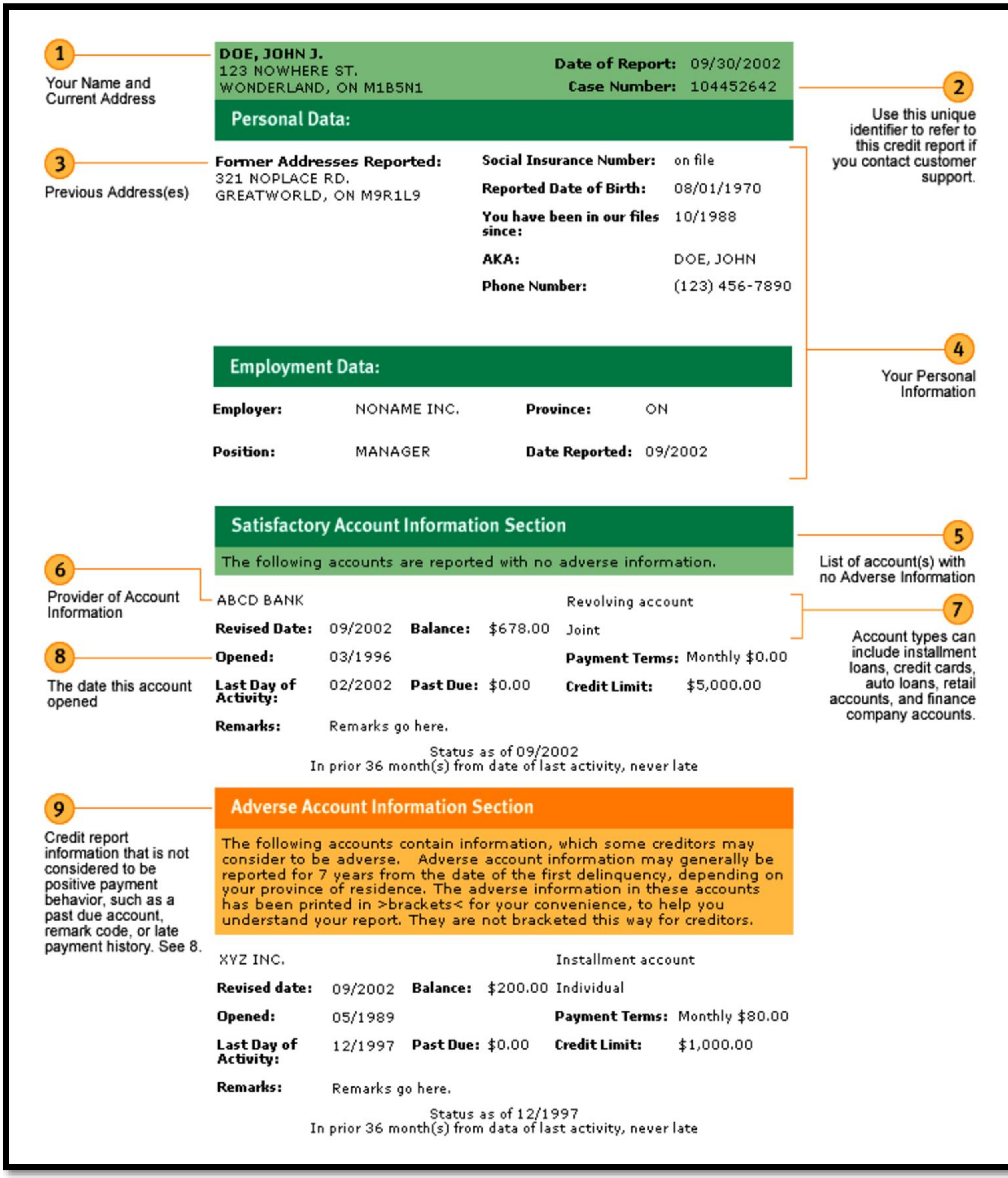
Directions: Complete the concept map using the information contained in Resource 2: *Money Habits Credit Score Infographic*.



Identify credit score components in the above boxes. Make sure you identify the components by balancing how each item is weighted in the credit score. Consider the questions below as you fill in the boxes.

- What components of a credit score are more heavily weighted?
- What components of the credit score are not as heavily weighted?

TransUnion- How to Read a TransUnion Credit Report



Source: http://creditreporttodayer.blogspot.com/2011/06/example-credit-report-transunion.html

TransUnion Sample Credit Report

TransUnion. **TRANSUNION CONSUMER CREDIT REPORT**

Subscriber Name:
Subscriber Code/Market:
Results Issued: 3/27/09 13:22 CT

INPUT PARAMETERS FOR PRIMARY SUBJECT

Reference ID:
SSN: xxx-xx-56
Name:
Current Address: 360 Northeast 85th St
Miami .33138

Also Known As: SSN: Phone: In File Since: 9/92
Date of Birth: 01/72

Current Address:	Previous Address:	Previous Address:
NE. 85TH ST. EL PORTAL . 33138 **Reported 3/05**	N. BAYSHORE DR. #2650. MIAMI . 33132 **Reported 1/04**	N. BAYSHORE DR. #37I. MIAMI . 33132

EMPLOYMENT

ZBRE LATIN AMERICA	Position:	Start: End:	In File Since: 1/07 Effective: 2/07
CB RICHARD ELLIS	Position: HOTEL CONSULTANT	Start: End:	In File Since: 2/05 Effective:

ALERTS AND SPECIAL MESSAGES

Type	Explanation
HIGH RISK FRAUD ALRT	CLEAR

SCORING

Type	Score	Explanation
FICO CLASSIC 98	+757	**005** TOO MANY ACCOUNTS WITH BALANCES **010** PROPORTION OF BALANCES TO CREDIT LIMITS IS TOO HIGH ON BANK REVOLVING OR OTHER REVOLVING ACCOUNTS **028** NUMBER OF ESTABLISHED ACCOUNTS **002** LEVEL OF DELINQUENCY ON ACCOUNTS

TRADES

BRAND/GEMB (F 9992874) Account # 60191701 Account Rating R01

Account Type: REVOLVING	Credit Limit: $3,500	Balance: $0	Opened: 11/04
Loan Type: CHARGE ACCOUNT	High Credit: $3,035	Past Due: $0	Paid: 1/06
Responsibility: I	Terms:		Closed: 9/08
Remarks: ACCOUNT CLOSED BY CREDIT GRANTOR			Verified: 3/09
Late Payments (48 Months) 0 0 0 / 30 60 90	**Delinquency** Maximum: Amount: Date:	**Payment Pattern**	Months 1-12: 111111111111 Months 13-24: 111111111111

BMW FIN SVC (A 82WT002) Account # 400089 Account Rating I01

Account Type: INSTALLMENT	Credit Limit:	Balance: $7,290	Opened: 10/07
Loan Type: AUTO LEASE	High Credit: $18,733	Past Due: $0	Paid:
Responsibility: I	Terms: 48M260		Closed:
Remarks:			Verified: 3/09
Late Payments (01 Months) 0 0 0 / 30 60 90	**Delinquency** Maximum: Amount: Date:	**Payment Pattern**	Months 1-12: 1 Months 13-24:

Source: www.creditreporttodayer.blogspot.com/2011/06/example-credit-report-transunion.html

How to Read an Experian Report

Experian
A world of insight

Online Personal Credit Report from Experian for

Experian credit report prepared for
JOHN Q CONSUMER
Your report number is
1562064065
Report date:
04/24/2012

1

Index:
- Potentially negative items
- Accounts in good standing
- Requests for your credit history
- Personal information
- Important message from Experian
- Contact us

2

Experian collects and organizes information about you and your credit history from public records, your creditors and other reliable sources. Experian makes your credit history available to your current and prospective creditors, employers and others as allowed by law, which can expedite your ability to obtain credit and can make offers of credit available to you. We do not grant or deny credit; each credit grantor makes that decision based on its own guidelines.

To return to your report in the near future, log on to www..experian.com/consumer and select "View your report again" or "Dispute" and then enter your report number.

If you disagree with information in this report, return to the Report Summary page and follow the instructions for disputing.

Potentially Negative Items 3

Public Records

Credit grantors may carefully review the items listed below when they check your credit history. Please note that the account information connected with some public records, such as bankruptcy, also may appear with your credit items listed later in this report.

MAIN COUNTY CLERK

Address:
123 MAINTOWN S
BUFFALO , NY 10000

Identification Number:
1

Plaintiff:
ANY COMMISSIONER O.

Status:
Civil claim paid.

Status Details:
This item was verified and updated in Apr 2012.

Date Filed:
10/15/2012

Claim Amount:
$200

Date Resolved:
03/04/2012

Liability Amount:
NA

Responsibility:
INDIVIDUAL

Credit Items

For your protection, the last few digits of your account numbers do not display.

ABCD BANKS

Address:
100 CENTER RD
BUFFALO, NY 10000
(555) 555-5555

Account Number:
1000000....

Status: Paid/Past due 60 days. 4

Date Opened:
10/2012

Type:
Installment

Reported Since:
11/2012

Terms:
12 Months

Date of Status:
04/2012

Monthly Payment:
$0

Last Reported:
04/2012

Responsibility:
Individual

Credit Limit/Original Amount:
$523

High Balance:
NA

Recent Balance:
$0 as of 04/2012

Recent Payment:
$0

Account History:
60 days as of 12-2012
30 days as of 11-2012

Report number:

You will need your report number to contact Experian online, by phone or by mail.

Index:

Navigate through the sections of your credit report using these links.

Potentially negative items:

Items that creditors may view less favorably. It includes the creditor's name and address, your account number (shortened for security), account status, type and terms of the account and any other information reported to Experian by the creditor. Also includes any bankruptcy, lien and judgment information obtained directly from the courts.

Status:

Indicates the current status of the account.

If you believe information in your report is inaccurate, you can dispute that item quickly, effectively and cost free by using Experian's online dispute service located at:

www.experian.com/disputes

Disputing online is the fastest way to address any concern you may have about the information in your credit report.

Source: www.experian.com/credit_report_basics/pdf/samplecreditreport.pdf

How to read an Experian Report

MAIN COLL AGENCIES

Address:
PO BOX 123
ANYTOWN, PA 10000
(555) 555-5555

Account Number:
0123456789

Original Creditor:
TELEVISE CABLE COMM.

Status: Collection account. $95 past due as of 4-2012.

Date Opened:
01/2005
Reported Since:
04/2012
Date of Status:
04/2012
Last Reported:
04/2012

Type:
Installment
Terms:
NA
Monthly Payment:
$0
Responsibility:
Individual

Credit Limit/Original Amount:
$95
High Balance:
NA
Recent Balance:
$95 as of 04/2012
Recent Payment:
$0

Your statement: ITEM DISPUTED BY CONSUMER

Account History:
Collection as of 4-2012

Accounts in Good Standing

5

Accounts in good standing:
Lists accounts that have a positive status and may be viewed favorably by creditors. Some creditors do not report to us, so some of your accounts may not be listed.

AUTOMOBILE AUTO FINANCE

Address:
100 MAIN ST E
SMALLTOWN, MD 90001
(555) 555-5555

Account Number:
12345678998....

Status: Open/Never late.

Date Opened:
01/2006
Reported Since:
01/2012
Date of Status:
04/2012
Last Reported:
04/2012

Type:
Installment
Terms:
65 Months
Monthly Payment:
$210
Responsibility:
Individual

6

Credit Limit/Original Amount:
$10,355
High Balance:
NA
Recent Balance:
$7,984 as of 04/2012
Recent Payment:
$0

Type:
Account type indicates whether your account is a revolving or an installment account.

MAIN

Address:
PO BOX 1234
FORT LAUDERDALE, FL 10009

Account Number:
1234567899876

Status: Closed/Never late.

Date Opened:
03/1997
Reported Since:
03/2012
Date of Status:
08/2012
Last Reported:
08/2012

Type:
Revolving
Terms:
1 Months
Monthly Payment:
$0
Responsibility:
Individual

Credit Limit/Original Amount:
NA
High Balance:
$3,228
Recent Balance:
$0 /paid as of 08/2012
Recent Payment:
$0

Your statement:
Account closed at consumer's request

Sample Experian Credit Report

```
                SAMPLE EXPERIAN (XPN) CREDIT REPORT
A> PAGE 1   DATE  9-11-2000    TIME 18:52:48   P@TTY    V701    BAZI
ROBERT BRYAN MUSTARD         SS: 878-99-4588         E:  AUTO CENTRAL
4589 SW BONNIE ST                858-22-5885*        SAN FRANCISCO
OAKLAND CA 97455-1588        DOB: 03/08/31           RPTD: 3-00 TO 6-00 I
RPTD: 11-97 TO 8-00   U 6X
LAST SUB: 658777731X48
9906 BOUNTIFUL AVE
ATTAWANDA WA 98555
RPTD: 9-96 TO 3-98
ROBERT BRYAN KETCHUP
B> --------------------------- FACS+ SUMMARY -----------------------------
INPUT SSN ISSUED 1972 -1974                    INQ: MAIL RECEIVING SERVICE:
FROM 6-01-00 INQ COUNT FOR SSN=5               MAIL BOX ACCESS INC
FROM 6-01-00 INQ COUNT FOR ADDRESS=0           4589 SW BONNIE ST
                                               OAKLAND  CA  97455
                                               510.555.1212
C> -------------------------- PROFILE SUMMARY ---------------------------
                                                              CNT 01/00/00/01
PUBLIC RECORDS----1  PAST DUE AMT-----$21  INQUIRIES---6  SATIS ACCTS---8
INSTALL BAL-$19,217  SCH/EST PAY-----$677+ INQS/6 MO---4  NOW DEL/DRG---3
R ESTATE BAL----N/A  R ESTATE PAY-----N/A  TRADELINE--10  WAS DEL/DRG---2
TOT REV BAL  $8,520  TOT REV AVAIL----10%  PAID ACCT---2  OLD TRADE--8-77
D>-------------------------- SCORE SUMMARY -----------------------------
NEW NATIONAL RISK SCORE        =    852    SCORE FACTORS: 10, 20, 31, 12
E>------------------------- PUBLIC RECORDS -----------------------------
PERRIS MUNICIPAL COUR    1-12-99  5-7-99  39978542    $28,040  CIV CL JUDG
D#: PEC41114                2    PLAINTIFF:  JUNKY AUTO REPAIR
F>---------------------------- TRADES --------------------------------
SUBSCRIBER             OPEN     AMT-TYP1   AMT-TYP2 ACCTCOND   PYMT STATUS
SUB#    KOB TYP TRM ECOA BALDATE BALANCE   PYMT LEVEL MOS REV  PMT HISTORY
ACCOUNT #              LAST PD MONTH PAY  PAST DUE  MAXIMUM     BY MONTH
SHACK REALTY CORP      6-97   $10,750-O            COLLACCT   DELINQ 90
123456  RZ ISC  84  2 12-21-98 $10,309     11-98         (15) GG3-1CCC-CC
135884                 6-98                                        C2
APPLE TWO CREDIT       6-96      $125-O                         COLLACCT
894222  YC COL  10  1 7-31-96      54      7-96           (12) GG-------G
195568566498
ORIGINAL CREDITOR: DO IT YOURSELF SURGERY CEN
COUNTY OF ISHKABIBBLE   4-99    UNK                     OPEN   DELINQ 180
3905854 VC C/S    1  1  6-30-00 $13,750     7-99        (22) 66666666664
19054BZOK0576             6-00    $290    $12,786              2C66666-6
G>--------------------------- INQUIRIES ------------------------------
CHEATUM INSURANCE      7-20-00   69065888 IG        INS
STILL RUNNIN HONDA     5-16-99   79645558 AN    UNK AUT
HORIZON WIRELESS       1-12-99   39978542 UW        UTI
------------------------------END XPN REPORT-------------------------------
   If you reject your applicant based on this XPN report, direct him/her to
   Experian Consumer Asst. PO Box 2002, Allen, TX 75013-0036 (888)397-3742
```

Source: www.700credit.com/downloads/XPNHow.pdf

How to Read an Equifax Form

Identification Information Section

IDENTIFICATION INFORMATION

1 **File Date**	2014-06-09	2 **File Since**	1986-09-07	3 **File Activity Date**	2014-04-20
4 **Applicant Provided SSN**		5 **SSN Match**	YES		
6 **Inquiry SSN Issued Date**	1975-00	7 **Inquiry SSN Issued State**	GA		

8 **SUBJECT NAME**
MOHAMMAD N PKKWLKK

9 **FORMER NAMES**
MOHAMMAD N PKKWKLK

	11 **First Reported**	12 **Last Reported**
10 **CURRENT ADDRESS**		
51 HAVEN DR, FORT SMITH, AR. 72901	2010-11	2010-11-01
13 **FORMER ADDRESS(ES)**		
2305 S Q ST, FORT SMITH, AR. 72901	2010-04	2010-04-03
4800 MORGANS WAY, FORT SMITH, AR. 72916	2009-08	2009-08-01
5107 CROSSOVER ST, FORT SMITH, AR. 72916	2009-07	2009-07-01

Information to the left represents personal identifiers like addresses

Report Summary Section

REPORT SUMMARY

1 PUBLIC RECORDS:	2	2 COLLECTIONS:	5	3 ACCTS:	27	4 HIGH CREDIT RANGE:	$0 - $290700

5 **MOP RATES:**

a Too new to rate; Approved but not used	1	b Pays account as agreed	9
c Not more than two payments past due	0	d Not more than three payments past due	1
e Not more than four payments past due	0	f At least 120 days or more than four payments past due	0
g Collection account	0	h Included in Chapter 13	14
i Repossession	0	j Charge-off	1
k Other	1		

6 **RATE HIST:**

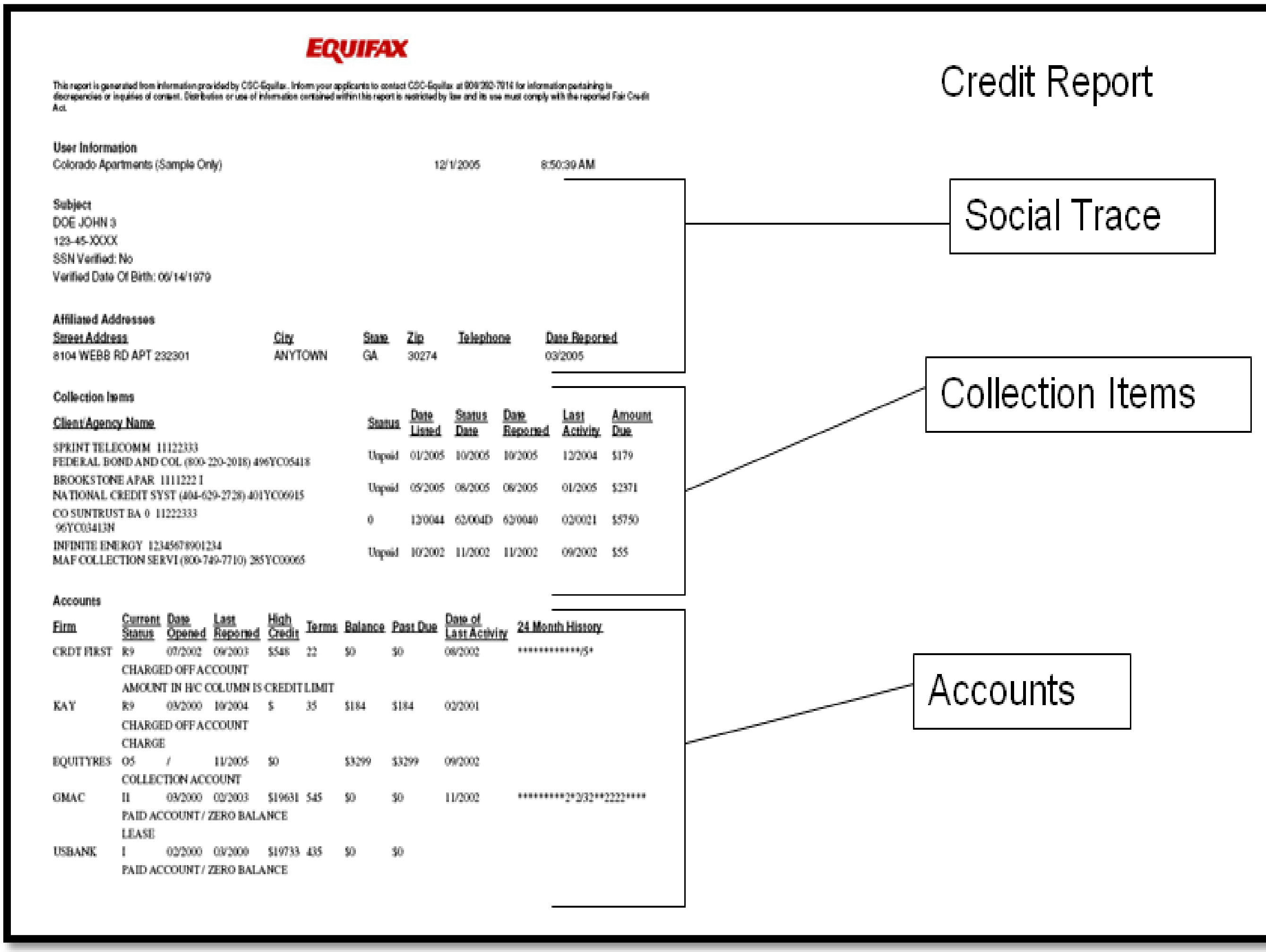
a Not more than two payments past due	4	b Not more than three payments past due	7
c Not more than four payments past due	4	d At least 120 days or more than four payments past due	23
e Collection account	0	f Repossession	0
g Charge-off	2		

This section displays payment history.

1) PUBLIC RECORDS – The total number of public records present on file
2) COLLECTIONS – The total number of collection agency accounts present on file
3) ACCTS – The total number of trade line accounts present on file
4) HIGH CREDIT RANGE – Highest credit range present on file
5) MOP RATES – Manner of Payment Rates.

This may include the below fields:

a. Too new to rate; Approved but not used
b. Pays account as agreed
c. Not more than two payments past due
d. Not more than three payments past due
e. Not more than four payments past due
f. At least 120 days or more than four payments past due
g. Collection account
h. Included in Chapter 13
i. Repossession
j. Charge-off
k. Other



EQUIFAX

This report is generated from information provided by CSC-Equifax. Inform your applicants to contact CSC-Equifax at 800/282-7914 for information pertaining to discrepancies or inquiries of content. Distribution or use of information contained within this report is restricted by law and its use must comply with the reported Fair Credit Act.

User Information
Colorado Apartments (Sample Only) 12/1/2005 8:50:39 AM

Subject
DOE JOHN 3
123-45-XXXX
SSN Verified: No
Verified Date Of Birth: 06/14/1979

Affiliated Addresses

Street Address	City	State	Zip	Telephone	Date Reported
8104 WEBB RD APT 232301	ANYTOWN	GA	30274		03/2005

Collection Items

Client/Agency Name	Status	Date Listed	Status Date	Date Reported	Last Activity	Amount Due
SPRINT TELECOMM 11122333 FEDERAL BOND AND COL (800-220-2018) 496YC05418	Unpaid	01/2005	10/2005	10/2005	12/2004	$179
BROOKSTONE APAR 1111222 I NATIONAL CREDIT SYST (404-629-2728) 401YC06915	Unpaid	05/2005	08/2005	08/2005	01/2005	$2371
CO SUNTRUST BA 0 11222333 96YC03413N	0	12/0044	62/004D	62/0040	02/0021	$5750
INFINITE ENERGY 12345678901234 MAF COLLECTION SERVI (800-749-7710) 285YC00065	Unpaid	10/2002	11/2002	11/2002	09/2002	$55

Accounts

Firm	Current Status	Date Opened	Last Reported	High Credit	Terms	Balance	Past Due	Date of Last Activity	24 Month History
CRDT FIRST	R9	07/2002	09/2003	$548	22	$0	$0	08/2002	************/5*
	CHARGED OFF ACCOUNT								
	AMOUNT IN H/C COLUMN IS CREDIT LIMIT								
KAY	R9	03/2000	10/2004	$	35	$184	$184	02/2001	
	CHARGED OFF ACCOUNT								
	CHARGE								
EQUITYRES	O5	/	11/2005	$0		$3299	$3299	09/2002	
	COLLECTION ACCOUNT								
GMAC	I1	03/2000	02/2003	$19631	545	$0	$0	11/2002	*********2*2/32**2222****
	PAID ACCOUNT / ZERO BALANCE								
	LEASE								
USBANK	I	02/2000	03/2000	$19733	435	$0	$0		
	PAID ACCOUNT / ZERO BALANCE								

Source:
https://personalreports.custhelp.com/ci/fattach/get/2760682/0/filename/FADV0037+How+to+Read+an+Equifax+Credit+Report.pdf

Equifax Sample Form

EQUIFAX

Print This Page | Close Window

Equifax Credit Report ™

As of: 10/07/2010.
Available until: 11/06/2010
Confirmation #

Report Does Not Update

Important. Please print this report as it will only be available for you to view during this session with Equifax. If you would like to view this credit report online free for 30 days, click here.

Section Title	Section Description
1. Credit Summary	Summary of account activity
2. Account Information	Detailed account information
3. Inquiries	Companies that have requested or viewed your credit information
4. Negative Information	Bankruptcies, liens, garnishments and other judgments
5. Personal Information	Personal data, addresses, employment history
6. Dispute File Information	How to dispute information found on this credit report
7. Summary of Your Rights Under the FCRA	Summary of Your Rights Under the FCRA
8. Remedying the Effects of Identity Theft	Remedying the Effects of Identity Theft
9. Your Rights Under State Law	Your Rights Under State Law

Credit Summary

Your Equifax Credit Summary highlights the information in your credit file that is most important in determining your credit standing by distilling key credit information into one easy-to-read summary.

Accounts

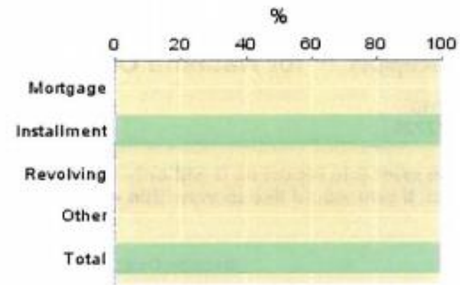
Lenders usually take a positive view of individuals with a range of credit accounts - car loan, credit cards, mortgage, etc. - that have a record of timely payments. However, a high debt to credit ratio on certain types of revolving (credit card) accounts and installment loans will typically have a negative impact.

Open Accounts	Total Number	Balance	Available ?	Credit Limit ?	Debt to Credit Ratio	Monthly Payment Amount ?	Accounts with a Balance
Mortgage	0	$0	N/A	N/A	N/A	$0	0
Installment	5	$27,696	$0	$23,750	117%	$291	5
Revolving	0	$0	N/A	N/A	N/A	$0	0
Other	0	$0	N/A	N/A	N/A	$0	0
Total	5	$27,696	$0	$23,750	117%	$291	5

Equifax Sample Form (Page 2)

Debt by Account Type

Debt to Credit Ratio by Account



Account Age

Usually, it is a good idea to keep your oldest credit account open, as a high average account age generally demonstrates stability to lenders. Also, especially if you have been managing credit for a short time, opening many new accounts will lower your average account age and may have a negative impact.

Length of Credit History	10 Years, 7 Months
Average Account Age	6 Years, 2 Months
Oldest Account	CAPITAL ONE BANK USA (Opened 03/2000)
Most Recent Account	WELLS FARGO EFS (Opened 12/2007)

Inquiries - Requests for your Credit History

Numerous inquires on your credit file for new credit may cause you to appear risky to lenders, so it is usually better to only seek new credit when you need it. Typically, lenders distinguish between inquiries for a single loan and many new loans in part by the length of time over which the inquiries occur. So, when rate shopping for a loan it's a good idea to do it within a focused period of time.

Inquiries in the Last 2 Years	3
Most Recent Inquiry	CBC MORTGAGE SERVICES::

Potentially Negative Information

Late payments, collections and public records can have a negative impact on your credit standing. The more severe and recent they are, the more negative the potential impact might be.

Public Records	0
Negative Accounts	9
Collections	1

Mortgage Accounts

Mortgage accounts include first mortgages, home equity loans, and any other loans secured by real estate you own.

You have no mortgage accounts on file

Back to Top

Installment Accounts

Installment accounts are credit accounts in which the amount of the payment and the number of payments are predetermined or fixed, such as a car loan.

Source: www.uwsv.org/sites/uwsv.org/files/Sample%20Credit%20Report-Equifax.pdf

TransUnion Credit Report Sample

StarPoint SCREENING

TransUnion Credit Report

Sandy R Beach

File #:	52431	Date:	2/7/2013 11:55:30 AM
Customer:	1001	User:	Jeney

Reported: 2/7/2013

SSN:	XXX-XX-6231	**Date of Birth:**	8/5/1975
Address:	6327 N Kenmore	**City/State/Zip:**	Fantasy Island, IL 60750

Page 1 of 5

Report Detail

Tradeline Overview		**Account Status**		**Credit Line Information**	
Total:	4	Total Past Due:	$0	Credit Limit:	$0
Current:	0	Day 30:	0	High Credit:	$10,000
Current Neg:	0	Day 60:	0	Real Est. Balance:	$0
		Day 90:	0	Rev. Balance	$633
		Account Balance:	$10,633	Installment Balance:	$10,000
		Monthly Payment:	$302	Inquires:	2
		Collections:	0	Public Records:	0

Personal Information

Name:	SANDY R BEACH	On File Since:	7/31/2009
DOB:	8/5/1975		
SSN:	XXX-XX-6231		

Employment Information

Employer:	TEST A
Postion:	A TESTER
Employer:	ST LOUIS METRO PD
Postion:	PUBLICSAFE
Employer:	ABC
Postion:	
Employer:	PFC
Postion:	

Source: www.prlog.org/11129526-starpoint-tenant-screening-offers-trans-union-tenant-credit-reports.html

TransUnion Credit Report Sample (Page 2)

Creditor:	OMNI CR SVCS/WIS ELECTRIC POWER SERV		
Member Number:	07711001	Report Date:	3/7/2012
Balance:	$97.00	Date Opened:	1/14/2012
Account:	444449	Date Closed:	10/27/2011
Creditor:	FINCNTRL SVC/TIME WARNER CABLE 1		
Member Number:	096KU003	Report Date:	10/11/2011
Balance:	$72.00	Date Opened:	8/31/2011
Account:	4444405	Date Closed:	6/12/2011

Tradelines

Open Accounts

Creditor Account Number Account Type	High Credit Date Rptd	Balance Date Last Activity Account Status	Credit Limit Date Opened		Historical Status 30	60	90	Payment Amount	Amount Past Due
MIDWEST NATL Installment/ Banks	$10,000.00 2/1/2013	$10,000.00 - (01) Paid or paying as agreed	- 3/31/2008	-	-	-	-	$302.00	-
DISCOVER FIN Revolving/ Banks	- 2/1/2013	$633.00 - (01) Paid or paying as agreed	- 9/11/2003	-	-	-	-	-	-
FIRST UNITED Installment/ Banks	$5,734.00 2/1/2013	$0.00 - (01) Paid or paying as agreed	- 3/31/2004	-	0	0	0	$159.00	-

Closed Accounts

Creditor Account Number Account Type	High Credit Date Rptd	Balance Date Last Activity Account Status	Credit Limit Date Opened	Closed Closed Date	Historical Status 30	60	90	Payment Amount	Amount Past Due
CHASE AUTO Installment/ Banks	$9,010.00 12/17/2012	$0.00 - (01) Paid or paying as agreed	- 7/26/2008	Closed normally 12/18/2012	0	0	0	-	-

Inquires

Name:	STARPOINT SC	Date:	2/7/2013
Name:	PENTAGROUP F	Date:	2/1/2010

Public Records

Docket:	4444000098	Plantiff:	METROPOLITAN ASSOCIATE
Record Type:	(CJ) Civil judgement	Court Type:	Circuit
Liability:	$2,107.00	Date Filed:	11/18/2011
Acct. Designator:	Individual	Date Paid:	Not Provided

Source: www.prlog.org/11129526-starpoint-tenant-screening-offers-trans-union-tenant-credit-reports.html

Q Star Credit Report Sample Form

Q Star Credit Bureau report for Jay J. Smith

MORTGAGE ACCOUNTS

Account Name	Account Number	Date Opened	Balance	Date Reported	Past Due	Account Status	Credit Limit
BANK OF AMERICA Show Details	488894XXXX	12/2007	$224,712	03/2009	$0	PAYS AS AGREED	$0

INSTALLMENT ACCOUNTS

Account Name	Account Number	Date Opened	Balance	Date Reported	Past Due	Account Status	Credit Limit
NISSAN ACCEP TANCE CO Show Details	10246 2XXXX	07/2008	$28,425	02/2009	$0	PAYS AS AGREED	$0
SALLIE MAE Show Details	46266XXXX	06/2000	$27,775	02/2009	$0	PAYS AS AGREED	$0

REVOLVING ACCOUNTS

Account Name	Account Number	Date Opened	Balance	Date Reported	Past Due	Account Status	Credit Limit
BANK OF AMER ICA Show Details	4888040948 00XXXX	12/2007	$2,012	03/2009	$0	PAYS AS AGREED	$15,500
BARCLAYS BAN K DELAWA Show Details	4868580717 58XXXX	12/2008	$171	02/2009	$0	PAYS AS AGREED	$10,000
CAPITAL ONE BANK USA Show Details	4003405011 05XXXX	04/2007	$0	02/2009	$0	PAYS AS AGREED	$8,000
CITIBANK Show Details	4447561115 16XXXX	07/2005	$0	03/2009	$0	PAYS AS AGREED	$5,500
HSBC BANK Show Details	5489545114 15XXXX	08/2005	$17	02/2009	$0	PAYS AS AGREED	$5,000

Source: www.qstarcredit.com/g/creditreport01.gif

Vocabulary

- **Credit**- Amount of money a creditor is willing to loan another to purchase goods and services, based on trust and the expectation that the money will be repaid as promised.

- **Credit Report**- An official record of a borrower's credit history, including such information as the amount and type of credit used, outstanding balances, and any delinquencies, bankruptcies, or tax liens.

- **Credit Score**- A measure of creditworthiness based on an analysis of the consumer's financial history, often computed as a numerical score, using the FICO or other scoring systems to analyze the consumer's credit. A mathematical model used by lenders to predict the likelihood that bills will be paid as promised.

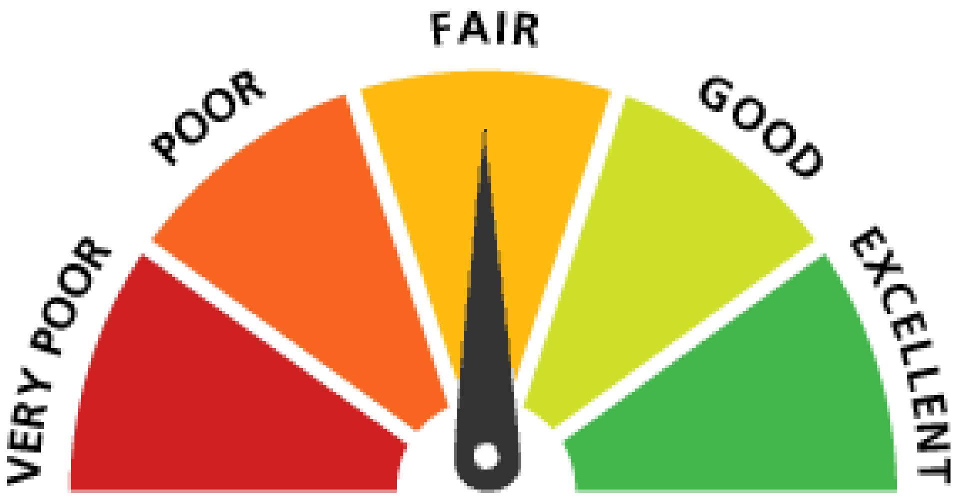
- **Credit Worthiness**- A measure of one's ability and willingness to repay a loan.

- **Debt**- An amount of money owed to lenders.

Source: The Maryland State Curriculum for Personal Financial Literacy Education, Glossary of Terms, pg. 28-33.
http://mdk12.org/share/frameworks/CCSC_Reading_Informational_Text_gr9-12.pdf

Resource 6

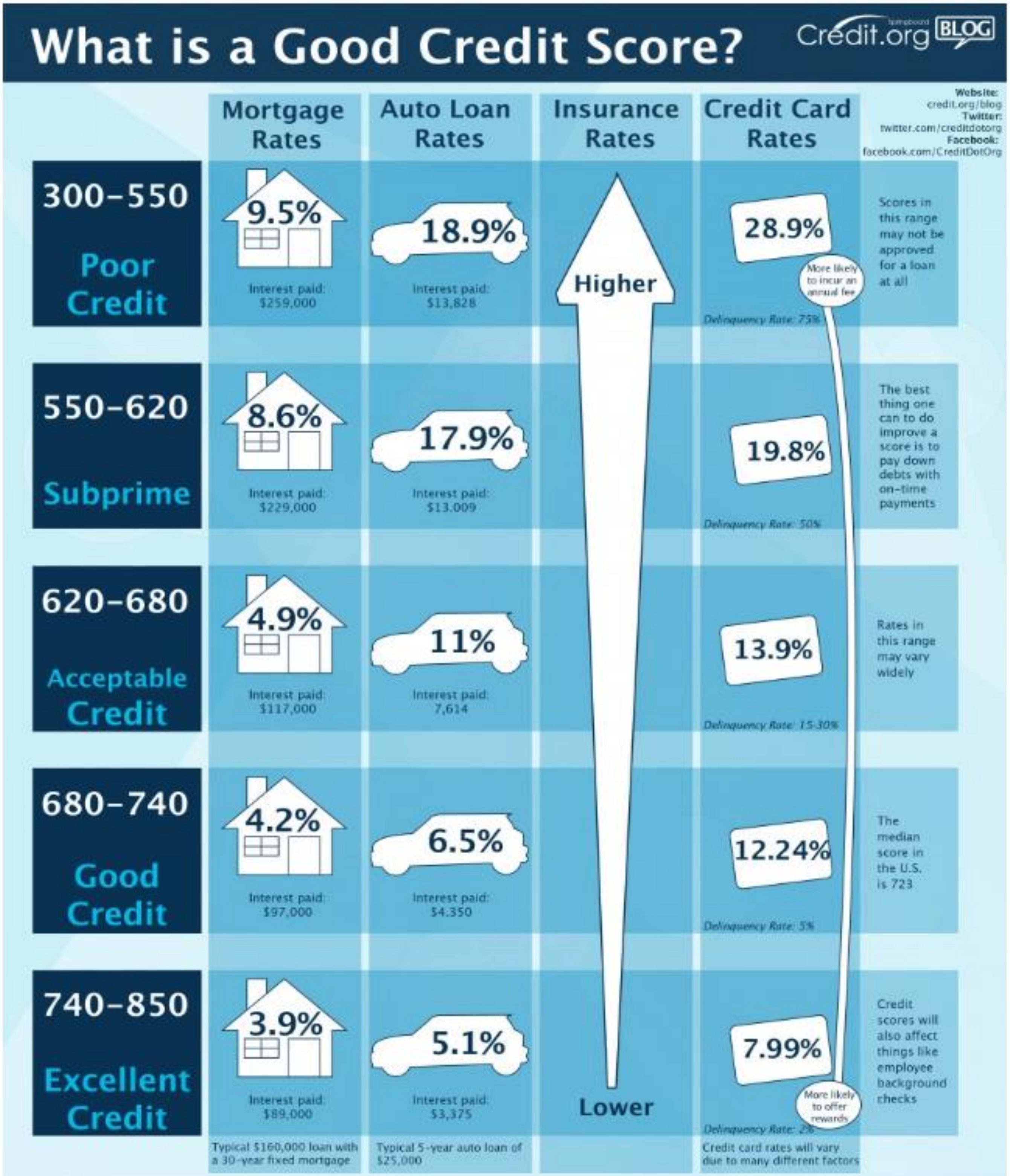
Credit Score Ranges



CREDIT SCORE
300-550 POOR CREDIT
550-620 SLOW CREDIT OR “SUBPRIME”
620-680 FAIR CREDIT
680-740 GOOD CREDIT
740-850 EXCELLENT CREDIT

Source: http://credit.org/blog/what-is-a-good-credit-score-infographic/

Resource 7



Source: http://credit.org/blog/what-is-a-good-credit-score-infographic/