Understanding your credit report

The information included on a credit report can be surprising and overwhelming. It is easier to review your credit report successfully when you know and understand all the parts, what they mean, and how they affect your credit situation.

Be prepared for the next time you request your free credit report with this credit report overview.

Personal information

Credit reporting companies use your personal information to confirm you as the person who opened the accounts listed on the report. Check this section carefully and make sure your information is right and is up to date. The wrong name or Social Security number could mean you might be contacted about another person’s debt.

Public records

Public court records such as bankruptcies, civil suits, and foreclosures can have a negative effect on your credit record and score. A lawsuit or judgment against you can generally be reported for up to seven years. Bankruptcies can generally stay for up to ten years. Negative information on your credit report may lead to a higher interest rate or being turned down for credit.

Account information

Lenders typically update the credit reporting company about your account monthly. Each account typically includes payment history, whether an account is current or past due, balance, and type of loan or account. If your credit report lists the name of a lender that is unfamiliar to you, it might be the name of the lender’s parent company or a new company the lender has joined. Check the fine print on your monthly bill or contact the lender if you are not sure.

Your credit card company and other companies you owe money to will report your credit accounts as either satisfactory or potentially negative.
Satisfactory accounts
Satisfactory accounts are in good standing because the credit reporting company has not received any negative reports. An account is usually still reported as current if paid within 30 days of the due date. But having a habit of always paying on time will protect your credit record and credit score.

Potentially negative accounts
Accounts that are past due or in collections are listed as potentially negative. A credit reporting company generally reports most negative information, like missed payments or collections, for seven years. You may see that your original loan has a different company name. Lenders sometimes ask outside companies to collect debts that are owed to them. Or, they sometimes sell the debt. The new company that owns the debt is listed on your credit report.

Credit inquiries
Credit reporting companies receive inquiries from businesses, lenders, or employers when they ask to review your credit report. The reason for the inquiry determines whether it could affect your credit score.

Hard inquiries
A hard inquiry to review your credit report is made by a lender when you apply for credit. Hard inquiries can affect your credit score because most credit scoring models look at how recently and how frequently you apply for credit.

Soft inquiries
A soft inquiry is recorded when your credit file is reviewed for reasons other than your application for credit—for example, when a lender checks an existing account, when you request your own credit report, and sometimes when a potential lender prescreens you for a credit offer. Soft inquiries do not affect your credit score.
Once you’ve checked your reports, keep up the good work

Make checking your credit report a regular habit
You are entitled to request a free credit report every 12 months from each of the three major consumer reporting companies (Equifax, Experian, and TransUnion). You can request a copy from AnnualCreditReport.com or by phone at 1-877-322-8228.

Take action promptly to correct errors
You can use sample letters to dispute errors on your credit report or respond to debt collection efforts. These letters are available at consumerfinance.gov/askcfpb/314.

Take steps to improve or better understand your credit
You can see tips and information at consumerfinance.gov/consumer-tools/credit-reports-and-scores.

About us
The Consumer Financial Protection Bureau regulates the offering and provision of consumer financial products and services under the federal consumer financial laws, and educates and empowers consumers to make better informed financial decisions.

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