Understanding the Credit Report

6/26/2024

Summary of Each Section

**Overall Purpose**

The credit report is used to assess the financial reliability and risk associated with the individual. It provides a comprehensive view of their credit behavior, outstanding debts, and potential financial stability issues, essential for making informed decisions in lending or tenant screening processes.

**Personal Information**

Purpose: Confirms the identity of the individual and checks for any mismatches in reported addresses. The address mismatch alert suggests the current address input does not match TransUnion's records, which could be a red flag for potential identity issues or recent moves.

**Employment**

Purpose: Provides employment history, indicating job stability. The employer listed is CONVERGS, with a hire date in 2004, suggesting long-term employment.

**Add-On Products Summary**

Purpose: Indicates the credit scoring model used (VANTAGESCORE 4.0) and confirms the delivery status of the default product.

**Scoring**

Purpose: Displays the individual's credit score and the factors affecting it. The score of 556 indicates a subprime credit rating, with recent delinquencies and multiple unpaid collections significantly impacting the score.

**Collection Accounts**

Purpose: Lists accounts that have been turned over to collection agencies, showing the original creditor, balances, and the dates these accounts were placed and verified. These accounts indicate significant credit issues and unresolved debts.

**Installment Accounts**

Purpose: Provides details of loans, including balances, payment status, and any adverse actions like repossession. The repossession noted here shows severe delinquency in an auto loan, which greatly harms the credit score.

**Let’s trying doing an analysis on this sample Report**

**Personal Information**

**Name Screened**

**SSN: XXX-XX**

**Reported Since: 12/1/1995**

**FAD (File Activity Date): 2/23/2024**

The report verifies that the SSN provided matches the one on file, indicating an accurate match of identity.

**Addresses:**

Various addresses are listed, showing historical residence data.

Current Address Alert: Indicates a mismatch between the current address input and the address on file.

**Employment:**

Employer: CONVERGS

Date Hired: 7/23/2004

Add-On Products Summary

Product: Score Model - VANTAGESCORE 4.0

Status: Default product delivered

Scoring

Score Model: VANTAGESCORE 4.0

Score: 556

Scorecard: 03

Factors Affecting the Score:

Delinquent/Derogatory Status on Reported Accounts is Too Recent (Factor 12)

Too Many Unpaid Agency Collections Accounts (Factor 87)

No Revolving Accounts That Can Be Used in Determining the Score (Factor 35)

No Open Auto Accounts in Your Credit File (Factor 77)

The score of 556 is relatively low, indicating potential credit risk due to recent delinquent accounts, multiple unpaid collections, lack of revolving accounts, and no open auto accounts.

**Collection Accounts**

EXPRESS RCVY (Questar Gas dba Dominion Energy)

Placed: 06/22

Verified: 02/24

Balance: $149

LVNV FUNDING (Credit One Bank N.A.)

Placed: 10/20

Verified: 02/24

Balance: $1159

Both accounts are placed for collection, indicating that these debts have been handed over to collection agencies, affecting the credit score negatively.

**Installment Accounts**

CREDITACPT

Account Number: 92099888

Loan Type: Automobile

Opened: 10/18

Closed/Paid: 08/20

High Limit: $14,000

Balance: $7,281

Past Due: $7,281

Current Status: Repossession (I8)

Reported: 01/24

Last Activity Date: 11/23

The account status shows a repossession, indicating the individual defaulted on an auto loan, leading to the vehicle being repossessed. This significantly impacts the credit score and is marked as a serious delinquency.

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