



11/15/2006

How To Protect Your Credit Score To Qualify for the Best Home Loan

When it comes time to apply for a home mortgage loan, some people are surprised to find they have a lower credit score than they expected. One reason for this dramatically lower score may be a case of identity theft. Someone may have stolen your personal information and started making large purchases against your credit. To make sure this does not happen to you, and to ensure yourself the best chance at a great home loan, you should take the necessary steps to protect your credit score and identity in the future.

First of all, you should know how identity thieves go about acquiring your information. This will help you know how to safeguard your information. One of the most common ways for criminals to get their hands on sensitive personal data is by going through garbage cans in search of tossed-out bills or government documents that include your name, social security number, and any other information like bank account or credit card numbers. To prevent thieves from stealing information from your trash, you should always finely shred any documents you no longer need that contain personal information. This will greatly decrease the possibility of someone being able to piece together your data. Also, if possible you should keep your trash cans locked up as much as possible. This is obviously more applicable to home settings, but some offices put tall fences or gates around dumpsters to thwart would-be identity thieves.

Some identity thefts take place under more elaborate and complicated circumstances. For example, some criminals will pose as retail vendors in order to steal credit card or debit card numbers when customers make purchases by those means. The vendors use a special storage device to record and save these numbers to pull them out and use them for their own purchases later. To avoid this scenario, stay away from any vendors that seem less than reputable. Of course you will not always be able to judge a book by its cover, so another safety measure to take is to get credit accounts with lending institutions that will provide identity theft protection. Many banks will do this by monitoring your credit purchases. If any extremely large or out-of-the-ordinary charges show up, the bank will contact you to make sure someone else has not gotten a hold of your account information. If you discover a charge that you have not made, the bank can cancel the purchase and replace the funds in your account.

Another complex and tricky way that thieves will try to scam your information from you is by attacking you in the internet with spam or pop-up boxes from what look like reputable companies. These attention-getters will then ask you for information like your name, birth date, and social security number. Do not ever give out your birth date or social security number unless you know you are sending information over a secure server and that you are sure the company you are dealing with is legitimate.

You may also experience identity theft and credit score damage if someone simply steals your wallet or purse and uses your cards. If your cards are ever stolen or even if you lose them, you should immediately report the incident to your lending institution and report any stolen social security cards to the proper government agency. This will ensure that your credit and identity will be protected from use by the thief.

Do not let identity thefts take advantage of you and ruin your credit. Be cautious about the way you handle any documents that include your personal data. Be wary of giving that information away too readily. Taking the necessary precautions will help protect your credit score to make



sure you will have the best qualifications when you are ready to apply for a home loan or home refinance mortgage.