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Fight Identity Theft to Keep Your Mortgage Future Bright

One of the fastest growing crimes today is that of identity theft. Not only is it scary and unnerving to have someone else posing as you, but it can be very damaging to your credit and finances. If someone shady gets a hold of your sensitive personal information, he or she can use that data to make substantial purchases in your name. If you do not discover these purchases in time, they can ruin your credit and deplete your resources. This can be especially devastating if you are trying to apply for a new mortgage loan. In order to give yourself the best shot at a great home mortgage or refinance loan, you should do your best to prevent and correct any identity theft.

You should be constantly watching for any suspicious activity on your credit or bank accounts. This will require careful monitoring of your accounts. Report any information that you cannot account for to your lender. You should also report any bills or statements that do not come on time. There is a possibility someone may have gone through your mail and stolen these to acquire your information. You should also be concerned if you receive financial statements at unexpected times. You should verify with the company that they are legitimate and not the product of an identity theft.

Another warning sign is if you apply for credit somewhere and are automatically denied, when you believe your credit is good enough to be approved. This may mean someone has already taken advantage of your identity or credit and wracked up huge debts or charges. You should contact your lender to see if there is a problem.

You should also contact your lender if you start receiving calls or bills for purchases that you are sure you never made. This again is probably a good sign that you have been the victim of identity theft. Make sure you let your financial institution know immediately if you detect any activity on your accounts that you do not recognize.

If you have found evidence of identity or credit theft on any of your accounts, you will be entitled to a free look at your credit report. You can already get a free copy once a year from any of the three major credit reporting agencies, Equifax, Experian, or TransUnion, but you can also get a free report if you suspect foul play from identity thief. First you should put a "fraud alert" on your credit report to alert creditors to current issues. When you get a hold of your credit report, search for any newly opened credit accounts that you did not open. You should also identify any inquiries from companies that you have not dealt with and also any debts you do not recognize.

Another important step is to close any accounts that you suspect have been used by an identity theft. This will prevent the criminal from doing further damage to your account. Additionally you should file a police report to try to catch the perpetrator and keep them from victimizing others.

Having your information and finances stolen is very unfortunate and damaging. If you are careful to monitor your accounts and immediately report any problems you will better be able to avoid and correct any injury to your credit. This will keep your credit score safe for your own large purchases, like home mortgages.