



Presents:

The Five Most Devastating Credit Mistakes and How To Avoid Them

CreditRepairMagic.com

Rather than go into great detail about each of these devastating credit mistakes, we have kept this special report short and to the point. Follow the advice below and you will be in the top 1% of the population in credit mastery.

Devastating Mistake Number 1: Not Knowing What's On Your Credit Reports

Without a copy of your credit reports from each of the three major credit bureaus, you will be trying to build a house without a blueprint. It's not enough that a mortgage company or car dealership tells you what the problem is, you have to have complete reports from each credit bureau and understand how to read them.

Fortunately, the bureaus have been forced to make reading credit reports a little easier than it once was. But they don't give you the secret key to understanding the importance of each entry and how it contributes to your all-important credit score.

Solution:

Go to www.annualcreditreport.com and order your three reports for free. This is a free service the credit bureaus were forced to offer by the U.S. Congress after decades of consumer complaints. It will take a few minutes of your time to order these reports, but it's worth it.

If you've already received your free credit reports and you would like an updated copy, there are five additional ways to get free credit reports at any time in your [Credit Repair Magic](#) program.

Devastating Mistake Number 2:

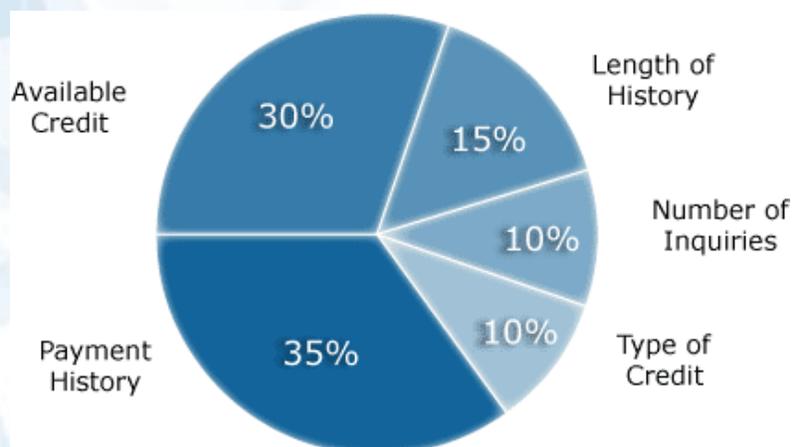
Not Understanding How Credit Scores are Calculated

The three major credit bureaus (Experian, Transunion, and Equifax) use a closely guarded “secret formula” to assign a credit score to each individual based on the information they collect from your creditors. This formula is a mathematical algorithm which is so complex it wouldn't do you much good to know it even if it were available.

A credit scoring system awards points for each factor that helps predict who is most likely to repay a debt. A total number of points—a credit score—helps predict how creditworthy you are, that is, how likely it is that you will repay a loan and make the payments when due.

Creditors compare this information to the credit performance of consumers with similar profiles. They use this statistical information to judge your creditworthiness and either extend or deny credit. Even when they do extend credit, they use your credit score to determine the rates and terms, saving the best rates for those with scores of 720 or better.

Here are the five primary factors that determine your credit score:



As you can see, your payment history (making your payments on time) contributes only about a third of the total score. The other factors make up 65% of the total. But what do they really mean?

"Available Credit" is the ratio of credit card balances to their limit. If a card has a limit of \$5,000 and your balance is \$2,500, then you have a 50% ratio. If the balance is too high, the credit bureau computers might consider you overextended and lower your credit score accordingly.

"Length of History" means how long you have had credit. Although this factor only gets 15% in the chart above, it can make a huge difference in certain situations. Therefore, you should never close out your oldest credit account, but rather keep it open with at least a small balance.

"Type of Credit" refers to what type of credit you have obtained—for instance: mortgages, car loans, credit cards, etc. If you just have credit cards and no mortgage, your score will suffer because they consider you a debt-based consumer instead of a substance-based consumer.

"Number of Inquiries" is only important in the short term because credit inquiries only stay on your report for about six months. After that, they aren't considered important.

Solution:

Learn as much as you can about the various factors that affect your credit score by using the number one credit restoration system in America, available only at www.CreditRepairMagic.com

Devastating Mistake Number 3:

Failing to "Engineer" Your Own Credit Profile.

Few people realize how much control they have over their own credit file. In fact, whether you have a 620 credit score or a 780 credit score depends largely on factors that are within your control.

For instance, by carefully manipulating the balances on your credit accounts, you can increase your credit score in a single reporting cycle—often with one phone call. With the right strategy, you can also decide which accounts to close, which to maintain, and which to merge.

Does it make sense to pay off your credit cards with a home equity loan? That depends on your situation. The intricacies of credit scoring are not common knowledge, but with a little expert guidance, it's relatively simple to engineer your own credit profile to serve your best interests.

Having a low credit score means that you're paying more for just about everything: car loans, home loans, credit cards, insurance. Raising a credit score from 620 to 780 would save the average person \$6,400 a year, while also creating more opportunities in dozens of areas.

Solution:

Don't leave your credit profile to chance. Get the expert assistance you need to create the highest possible credit score so that you can get the things in life you want and deserve.

Devastating Mistake Number 4:

Using Legal Wording In Letters To The Credit Bureaus

Back in the 1970's, it was effective to use formal wording when sending dispute letters to the credit bureaus. These letters would typically end with something like this:

Under federal law, you have 30 days to complete your reinvestigation.
Be advised that the description of the procedure used to determine the accuracy and completeness of the information is hereby requested as well,
to be provided within 15 days of the completion of your reinvestigation.

Today, credit bureaus see these kinds of letters as proof that you are using a credit repair service and will return your dispute marked "frivolous and irrelevant." This is the death blow to your credit restoration process and it's hard to recover.

The credit bureaus don't need to be advised of their rights; they already know them. For maximum effectiveness, correspondence to the credit bureaus should be specific, but informal. The more professional the letter looks, the more likely it is to be labeled frivolous.

Virtually every credit repair book, e-book, law firm, or other credit service still recommends the formal and antiquated letters from the 70's. Don't fall into the trap, especially since there's a better choice—and you never even have to write a single letter.

Solution:

The ideal credit restoration system would not require you to write any letters yourself. It would take you step by step through the process and simplify everything so that it takes only a few minutes a month. It would also be extraordinarily effective and fast—very fast. There is only one system that has all these features. It's called [Credit Repair Magic](#) and it costs only \$197—thousands less than credit repair law firms.

Devastating Mistake Number 5:

Choosing the Wrong Credit Repair System

There are only four ways to fix your credit, and here they are, from WORST to BEST:

Worst:

Credit Repair Services

It's tempting to simply pay a company to "do the work for you," but all credit repair services (including law firms) have two dirty little secrets they don't want you to know:

First, because they charge monthly for their service, they make more money—up to \$3,600—if they deliberately drag out the process, which is why they often take two or three years.

Second, you actually wind up doing MORE work than if you did it yourself. In addition to dozens of forms, the credit repair service requires YOU to personally choose which items to dispute, how to dispute them, and you have to constantly send them the documents that the credit bureaus send you.

Only Slightly Better:

Follow Instructions From the Credit Bureaus.

This is like the wolf instructing the sheep. The credit bureaus are NOT your friends. This approach costs nothing, but you get what you pay for. Don't do it.

Better Value, But Difficult:

Do-It-Yourself Instructional Programs (Typically a Printed Book, an E-Book, or an Audio Program).

There are hundreds of these programs available—most completely out of date. If you're very organized and have lots of free time available, these books will work fairly well...eventually.

Best:

Credit Repair Magic

Using a unique “self-directed” (NOT “do-it-yourself”) approach, Credit Repair Magic has all the benefits of a professional service but achieves results in weeks, not months—and costs thousands of dollars less.

You don't have to read a book or even know the first thing about credit restoration. [Credit Repair Magic](#) is guaranteed to produce better results than any other program, system, or service, and in less time, or you will get 100% of your money back!

Solution:

Don't spend thousands of dollars and years of your life waiting for some greedy law firm to help you. And don't rely on the credit bureaus to tell you how to do something that they don't want you to do at all. Finally, don't spend your hard-earned money on ridiculous "credit secrets" e-books that don't have a true system to follow and make you do everything yourself.

Instead, invest in the proven system that's been rated number one by three independent review sites and has an unconditional money-back guarantee.

Go to CreditRepairMagic.com.