



The ONE SOURCE for all your credit reporting needs

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## SPECIAL ID SEMINAR!!

We will have a special seminar on Jan 17th. The topic is IDENTIFICATION

We will present Experian's Authentication Services, MetroNet Searches and eFunds.

Identification verification is becoming more important each day. Authentication Services can help you verify several forms of ID, current and previous addresses and OFAC.

MetroNet is a suite of services. It can help verify current information, provides Electronic Directory Assistance, Soc. Sec. searches and verification, and Name, Address and neighbor searches.

MetroNet can be a valuable product for your Collection Dept. It is indispensable for skiptracing. MetroNet's name and address searches will help you locate lost debtors and lost customers. Locate lost depositors before you send their money to the Secretary of State. MetroNet's Electronic Directory Assistance will save you money on 411 and 555-1212 calls.

We will have two seminars on Jan. 17th, to demonstrate and explain these services. The first will be at 9:30am and the second will be at 1:30pm.

Call or e-mail us to reserve your place.

## HOW TO GET THE BEST INFORMATION FROM A CREDIT REPORT

There are a few things to remember and consider before pulling a credit report.

- Each credit bureau files and sorts their data differently.
- Most collections and 99% of all public records are reported with only a name and address.
- Towns with new zip codes and new 911 addresses are often not reported correctly on credit files.

Experian files the data in this order:

1. Last Name
2. First Name
3. SSN
4. Address
5. Generation (Jr., Sr., I, II III, etc.)
6. DOB

TransUnion files them this way:

1. Zip Code
2. Address
3. Last Name
4. First Name
5. SSN
6. AKA

Equifax is altogether different:

1. Last Name
2. First Initial
3. Address
4. SSN

Unless the person has lived at the same address for more than five years, we recommend ALWAYS using one previous address. If you are pulling a consumer report from Experian's web page, you can enter a current address and two previous addresses for the primary spouse. Then you can enter two addresses (current and previous) for the spouse.

**NEVER PULL A JOINT REPORT FOR TWO UNMARRIED PEOPLE -- EVEN IF THEY ARE GOING TO BE MARRIED!!!**

If you pull a joint report, say for an apartment, and the two are not married (two guys or two gals or even a male and female), the credit bureaus will report the joint request as married!! Just don't do it!!

**Social Security Numbers are not the primary source of storing and sorting credit reports!** In fact, SSNs are not even known to the creditors on many collections and civil judgments. Only when you enter the address that matches the persons name and address for a collection or judgment, will it be added to their credit report.

Several towns in Illinois (such as Peoria Heights) have new zip codes. If that information has not been relayed to the credit bureaus, you will not get a good report with out entering the previous and current addresses (even though they never moved.) The same rules go for 911 addresses. I have seen people with three or four addresses and they have never moved.

Experian's web page also allows you to enter the Driver's License number, and two phone numbers. We encourage all members to enter this information. It is used for Identification and for Fraud Shield reports.

As you can see, the more information you enter when you pull a report, will get you better hits, and more information in return.

If you are using Experian's web page you must enter the type or purpose of the loan request. If you are using KCB Express Credit Searches, we have assigned a default Purpose Code. If it is different or if you don't know the default, you can enter the correct code. Our Mortgage program has a pull down menu that allows you to enter a purpose. If you don't enter a code, it defaults to "Mortgage."

If you are using some other software, and it doesn't allow you to enter the purpose code, you could be in violation of the FCRA if you pull a report for a purpose other than their defaulted coded. You should ask your vender for a field or pull down menu, so you can enter the correct code.

An incorrect purpose code could negatively affect your applicants' credit scores.

Please pass this information on to all employees who take applications and to those you actually pull the credit reports.

## NEW EXPERIAN AND EQUIFAX REISSUE FEES

As of January 31, 2007 Experian and Equifax will begin charging for credit reports that are reissued to another lender. They are basing this action on Sec. 601 (e) of the FCRA.:

*(1) Disclosure -- A person may not procure a consumer report for purposes of reselling the report (or any information in the report) unless the person disclosed to the consumer reporting agency that originally furnishes the report --*

This means, if you sell or assign a loan to a secondary lender and you forward the credit report to the secondary lender, you must provide us the name of the secondary lender.

If you sell your loans **and** the credit report and credit information **is not shown** to the secondary lender, this regulation does not apply.

The fees for this reissue are:

	individual	Joint
Experian	\$ 2.50	\$ 5.00
Equifax	\$ 3.00	\$ 6.00
<b>Total reissue fee:</b>	<b>\$ 5.50</b>	<b>\$ 11.00</b>

Fannie Mae already reports the re-issuance.

We are working with our MCL Mortgage Reporting programmers to have other buyers included.



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## MORTGAGE DELINQUENCIES, FORECLOSURES ON THE RISE; SO ARE NEW APPLICATIONS

The Mortgage Bankers Association Wednesday confirmed what others had anticipated – mortgage delinquencies are rising and the sub-prime market is feeling the worst of the pain.

Mortgages with payments at least 30 days past due rose to 4.76% of all loans on one-to-four-family dwellings in the third quarter, up 28 basis points from the second quarter and 23 basis points higher than in the third quarter of 2005, reports the Washington-based trade association.

Mortgages in foreclosure rose to 1.05% of all loans in the quarter, six basis points higher than in the second quarter and eight basis points higher than in the same quarter of 2005.

In the sub-prime category, seasonally adjusted delinquencies rose to 12.56% of loans from 11.7% from the prior quarter. Delinquent sub-prime adjustable rate loans rose to 13.22% from the prior quarter's 12.24%. Roughly 26% of all delinquent loans in the third quarter were adjustable rate loans.

Doug Duncan, chief economist at the association, says its not surprising that delinquency rate are higher for sub-prime loans "given that sub-prime borrowers are more susceptible to the cumulative increases in rates we've experienced and the slowing of home price appreciation that has resulted."

While option adjustable loans and other creative lending products have come in for criticism in recent months, Duncan counters that the association saw no evidence these types of loans were performing worse overall than traditional mortgages.

Looking to 2007, Duncan predicts the housing market will regain strength by the middle of the year.

The association also reported Wednesday that applications for new mortgages are on the rise, a sign that buyers may be returning to the housing market.(2006 CreditandCollections World.com and SourceMedia, Inc.)

## PRISONER ACCUSED OF RUNNING IDENTITY THEFT SCHEME BEHIND BARS

I guess once you've read all the books in the

prison library and you're done with the day time talk shows – you'd probably turn to elaborate identity theft schemes if you were a prisoner doing time for a previous bout of identity theft. That, or turn to tattoo design. Still, it's probably best to go with what you know.

33-year-old Lonny Bristow allegedly used a prison phone to pose as a Holiday Inn executive, telling desk clerks that police needed their help to nab an escaped prisoner who had checked in. With that as his "in" – he would con the front desk clerk out of guests' names and credit card numbers.

A grand jury has indicted Bristow on 28 charges, including theft and fraud.

Bristow is serving a 13-year sentence at the Southern Ohio Correctional Facility near Lucasville. He was previously convicted of stealing a suburban Columbus man's credit cards and running up \$14,000 in charges. (Nov. 20, 2006, by Mike Bevel, CollectionIndustry.com)

## THE FAIR CREDIT REPORTING ACT ADVERSE ACTION NOTIFICATION

The FCRA requires users of credit data to provide contact information for the credit reporting company whose information was used to make a decision to decline an application for credit or to take adverse action against a consumer

Please check your company's notifications to verify that you are providing the following contact information to your potential or existing customers:

**If the report you pulled was from Experian, use:**

Experian  
701 Experian Parkway  
PO Box 2002  
Allen TX 75013  
1-888-397-3742

**If the report you pulled was from CSC/Equifax, use:**

CSC Credit Services  
Disclosures  
PO Box 619044  
Dallas TX 75261-9044  
1-800-305-7868 or  
1-888-766-0008

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**If you pulled a MCL, Merged, or Mortgage report from us, you can use the built-in notice or use:**

KCB Information Services  
11 N 6th St., Suite A  
Pekin IL 61554  
1-888-852-2574

If you have pulled an Experian or an Equifax report, you **must provide the consumer with that credit bureau's information.** You can also give them our name, address and phone number.

If you wish, you can add the free credit report web site to you adverse action notices:  
**www.annualcreditreport.com**

We would also encourage you to add a link on your web page, to our web page. You can use:  
**www.KCBInfo.com** or  
**www.KewaneeCreditBureau.com**

Our web page has a link to the free annual credit reports, ID Theft information, Mortgage financing information, Medical reporting information, skiptrace links and techniques and links to our members web pages.

## CREDIT REPORT FEES

You should receive a credit report and service fee schedule with this newsletter. We have highlighted your member fee code. If you have any questions, or if you wish to change your member fee code, just call or e-mail us.

We have received several requests for our Privacy Statement. You should receive it, with this newsletter.

## KCB INFO SERVICES HOURS

Monday - Friday 9:00am to 4:30pm

KCB Information Services offers: Consumer credit reports, Business Credit reports, Employment Credit reports, Residential Mortgage Credit Reports, Merged Credit Reports, Criminal background checks, Tenant Screening Reports, Flood Zone Determination, Flood Life of Loan Certification, Identity Authentication and eFunds Debit Reports.

The KCB Information Services has served businesses since 1928 and serves Central Illinois for Experian and Equifax.

*"Life's real failure is when you do not realize how close you were to success when you gave up."*