KCB Info Services
KCBinfo.com

The ONE SOURCE for all your credit reporting needs

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TIPS ON PULLING CREDIT REPORTS

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

Unless the person has lived at the same address for more than five years, we recommend ALWAYS using at least one previous address.

Also, **NEVER** pull a joint credit report on two people who are not married! **If you do, the bureaus will report them married!**

PRINTING EXPERIAN CREDIT REPORTS

If you are pulling a credit report through Experian's web page, there are three ways to print the report.

First from the "FILE - Print" menu from your web browser. The browser's print command prints your screen and all the other information on your screen. The spacing and formatting may be incorrect.

Second and third are from Experian. There is the "Printer-Friendly Format" and the "PDF Version." Just above the credit report and on the right you will see these two ways to print:

We recommend the PDF version. The Printer-Friendly Format doesn't always print the second credit report, if a joint report is ordered.

If you have pulled the report incorrectly, you can click on "edit inquiry" and your inquiry page will appear and you can change or correct the data without entering everything again.

MONEY SMART WEEK[SM] ILLINOIS

APRIL 6 – 12 | 2008

www.moneysmartweek.org

Money Smart Week[SM] is a public awareness campaign designed to help consumers better manage their personal finances. This is achieved through the collaboration and coordinated effort of hundreds of organizations across the state and Midwest including businesses, financial institutions, schools, libraries, not-for-profits, government agencies and the media. These groups come together once a year to stress the importance of financial literacy, inform consumers where they can get help, and provide free educational seminars and activities throughout the week. Programming is offered to all demographics and income levels and covers all facets of personal finance from establishing a budget to first time home buying to estate planning.

Last year, 859 people attended 89 seminars and classes. 66% were female and 34% were male.

A Money Smart partner is an organization that actively participates during Money Smart Week[SM] with the approval of the Federal Reserve Bank. Organizations are considered partners upon agreeing to one or more of the following:

Provide educational materials, instructors, or a seminar for consumers
Provide facilities to host events, sponsor events or promotional materials
Leverage resources to publicly support or endorse Money Smart Week

To get involved in our local Money Smart Week, please contact your Federal Reserve Bank representative or Larry Nelson here at KCB Information Services. Additional information can be found at moneysmartweek.org

BANKRUPTCIES ON THE DECLINE

Business bankruptcy filings are down by more than 28 percent for the fiscal year-ending September 2007 when compared to last year. August bankruptcy filings peaked with a total of 78,963 filings. The same month, 2,562 businesses filed for bankruptcy and a total of 25,925 businesses filed for bankruptcy during 2007, according to a November U.S. Courts press release. This year had the least business and non-business bankruptcy filings since 2000. Many believe the decline of bankruptcy filings since 2006 is attributed to the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BABCPA), signed by President George W. Bush into law in April of 2005. Intent of the 2005 BABCPA. A bankruptcy filing can discharge all or some of the debt owed by the filing person or company. The remaining debt is consolidated and paid off over time, giving the debtor a second chance to reestablish long-term financial stability. The bill intends to stop fraudulent filings and misuse of the bankruptcy system to discharge debts. The congressional objective was to require repayment of a larger portion of the obligation, and make filing for bankruptcy more time-consuming and costly to the filer. 912-12-07, Creditandcollectionnews.com)

US FORECLOSURE FILINGS UP 94 PERCENT IN OCTOBER

U.S. foreclosure filings nearly doubled in October from the same month last year, the latest sign many homeowners are falling behind on mortgage payments and increasingly losing their homes, according to a mortgage research company. A total of 224,451 foreclosure filings were reported in October, up 94 percent from 115,568 in the same month a year ago, Irvine-based RealtyTrac Inc. said Thursday. The number of filings in October rose 2 percent from September's 223,538. The U.S. had one foreclosure filing for every 555 households in October, RealtyTrac said. The filings include default notices, auction sale notices and bank repossessions. Some properties might have received more than one notice if the owners have multiple mortgages. In all, 45 states saw an increase in foreclosure filings over last year. While the number of filings is still up year-over-year, it has leveled off in the last two months after hitting a high for the year in August. (11-29-07, creditandcollectionnews.com)

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ANALYSIS: CONSUMER LOAN CHARGE-OFFS JUMP 27% IN Q3

Net charge-offs of loans to individuals – for household, family and other personal expenditures – at all FDIC-insured institutions through the first nine months of 2007 totaled roughly $17.7 billion, up $3.7 billion or 27% from more than $13.9 billion during the first nine months of 2006.

The recovery rate on these charged-off non-credit card consumer loans fell to 19.9% year to date in 2007, compared with 24.3% throughout the same period of 2006.

FDIC-insured financial institutions held total loans to individuals of $1.01 trillion during the third quarter, up 6% from holdings of $954.8 billion in the same period last year, according to the FDIC's Quarterly Banking Profile, released Wednesday.

Consumer loans that were 30-89 days past due during the third quarter exceeded $20.1 billion, up 18% from roughly $17.1 billion in the same quarter last year. Consumer loans that were 90 or more days past due totaled $9.3 billion, increasing more than 2% from around $9.1 billion in last year's third quarter.

Loans to individuals in nonaccrual status, that is, loans considered an impaired asset and in a stage preceding write-off, totaled $2.7 billion, up 29% from $2.1 billion a year ago, FDIC statistics show. (11-29-07, © 2007 CreditandCollectionsWorld.com)

A LEGAL PRECEDENT PAYS OFF FOR COLLECTORS IN FDCPA CASES

A judge's ruling that consumers can abuse the FDCPA with frivolous law suits has emboldened collection attorneys.

Nearly 18 months ago, U.S. District Judge Leo Glasser wrote in a decision that the FDCPA enables unscrupulous debtors and attorneys to file frivolous suits claiming collectors violated the act. The decision affirmed what many creditors and debt collection attorneys have argued for years and it appears to have set a precedent for collection cases since then.

In the case, Jacobsen v. Healthcare Financial Services Inc., consumer Gershon Jacobson alleged that language in a collection letter from HFS constituted a violation of the FDCPA. Attorneys for HFS filed a motion in Glasser's court for dismissal on the grounds the case was frivolous.

Glasser agreed with HFS, writing in his opinion that there was a "cottage industry" of debtors and debtor attorneys that sue collectors for FDCPA violations, noting the exponential growth of such lawsuits in his court over the past several years. For instance, Glasser wrote, he knew of a family that had dozens of cases currently pending, and Jacobson had a similar case pending against another defendant. He also noted that the volume of FDCPA violation cases in his court rose from a total of two in 2002 to 92 in 2005, and to 85 in the first five months of 2006.

Glasser noted that since the FDCPA is a "strict liability" statute it encourages frivolous suits because a consumer can seek civil compensation even if no true damage can be proven; there need only be a technical violation for consumers to get paid.

"When a defendant has unintentionally made only a technical mistake, cognizable only under a standard that indulges the hypothetical, logically fallacious, least sophisticated consumer, the misapplication of statutory damages based on strict liability tort principles can give rise to questionable awards," Glasser wrote in his opinion.

The decision indicates a potential turning point in the consideration of FDCPA suits, Manny Newburger, partner in FDCPA specialist firm Barron & Newburger, told insideARM. "We may be seeing an environment where collectors can say, 'maybe we will get a fair shake,'" he said.

This September, Glasser's decision was cited in the Sixth Circuit Court of Appeals as a three-judge panel sided with collectors in the case Federal Home Loan Mortgage Corp. v. Lamar.

That use of Glasser's decision as a precedent is important, said Alan Weinberg, managing partner of collection law firm Weltman, Weinberg & Reis. Precedents in collection suits had long favored consumers and judges not steeped in FDCPA minutiae usually follow precedent, said Weinberg.

Newburger cautioned that the Glasser ruling must be taken in context. "The attorney for the plaintiff has lost a lot of FDCPA cases," said Newburger. "If this had been a case brought by one of the larger plaintiffs' attorneys, it would be a bigger deal. But it's still great language." (Patrick Lunsford, insideARM.com, November 30, 2007)

AUTO DELINQUENCIES UP BUT THREAT UNCERTAIN

Auto loan delinquencies are on the rise – explosively so, according to some sources -- The Wall Street Journal reported today. But other sources indicate the increase is modest by historic standards.

The Journal reported that 4.5 percent of all auto loans made in 2006 to prime borrowers were delinquent in September, up more than 55 percent from the end of August, according to an analysis from Lehman Brothers. The rise was the largest monthly increase in eight years. In addition, the American Bankers Association found that delinquencies on auto loans from third-party lenders through dealers came in at 2.77 percent in the second quarter, a rise of 1.5 percent from the first quarter of this year. Auto loans directly from dealer-manufacturers were delinquent to the tune of 1.69, up 0.6 percent. Both the Lehman Brothers and ABA numbers covered loans that were delinquent by 30 days.

However, numbers from Fitch Ratings were less eye-opening, as the analyst reviewed the the 60-day delinquency rate. For prime auto loans that had been bundled for trading, the delinquency rate was 0.65 percent in September, up 10 percent from August and up more than 18 percent from September 2006, according to Fitch. On the subprime side, 3.18 percent of the loans were 60 days or more delinquent, a 4.3 percent increase over August and the highest level since 2004. The report noted that these numbers are in-line with historical averages, and that the delinquency numbers were higher as recently as 2003.

Hylton Heard, a director in Fitch's Auto ABS Group and co-author of the report "In The Auto ABS Driver's Seat," said that he doesn't see much improvement coming in 2008 due to weakness in the broader economy. (By Patrick Lunsford, insideARM.com, December 6, 2007)

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 KCB Checking History Reports.

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