



Difference in Credit Scores?

Courtesy of Money Talks News by Stacey Johnson

This person is upset because he has three vastly different scores depending on the provider. Wait till he finds out he probably has closer to 50.

How can this possibly be? I got my credit report and paid for my scores. Trans Union had my score at 700, Equifax at 691 and Experian had my score at 622. How can Experian get away with being 69 points off one and 78 points off on the other score? Thank you very much for your insight to this question. –M

Actually, M, it's worse than you think. Not only do the big three credit reporting agencies have different scores, there are actually dozens more variations floating around out there, most of which you'll never see.

According to John Ulzheimer, who used to work for credit reporting agency Equifax and now blogs about credit, there are actually 49 distinct FICO credit scores.

That's because Fair Isaac, the company that created the most widely used credit scoring formula, the FICO score, has many variations of the calculation. As you've discovered, different credit reporting agencies reach different conclusions based on slight variations in the FICO formulas they use. There are also different scores for specific loan types.

Confusing? You bet. Here's how The New York Times explains it: There are three versions of the basic score {at Equifax, Experian, and TransUnion}. But FICO also has several other versions, customized for the specific type of loan in questions – say, an automobile loan, a mortgage or a credit card. Each is also offered by the credit bureaus, under their own brands. And each version may have multiple releases, as FICO's formula for crunching the data is updated. So you can see how the versions pretty quickly add up to nearly fifty.

If it sounds unfair to pay for something that doesn't offer a definitive conclusion, you'll be happy to know that the Consumer Financial Protection Bureau agrees. They release a report about the issue last summer, saying, "It is likely the credit score consumer receives is not the same score as purchased and used by a lender to whom the consumer applies for a loan."

The CFPB report raises other issues stemming from having dozens of score variations: What if a lender uses a different (non-FICO) scoring model than the one you paid for? What if the lender gets your score from a different credit bureau than you do?

"It is also possible that a consumer and a lender could access different reports from the {same credit reporting agency}," the CFPB says, "if they were to use different identifying information about the consumer."

The Imperfect Solution

If life were fair, you'd be able to see your score for free, the same way you're now able to see your credit history free at AnnualCreditReport.com. And that score would be the one all lenders see and would remain consistent among the credit reporting agencies reporting it. Instead, you now pay close to \$20 to see just one credit score, while there are others you'll never see. And as M has discovered, your score might vary radically depending on who reports it.

M is right to be upset that one company finds him an excellent credit risk while another judges him as marginal. What happens when he applies for a loan and a lender sees three different scores? One lender might average all three, another might use the middle one, and another might use the highest or lowest. And as I pointed out above, some lenders might use an entirely different model and ignore all three!!!

What's a borrower to do? The best you can. While there may be dozens of different scores, there's one thing that's consistent: They're all based on your credit history. And that's something you have free access to once annually from each of the big three credit reporting agencies. So take a look at your file, read 3 Steps to Improve Your Credit History, and do what you can to make sure it's accurate and looks as good as possible.

And if you feel the current system is unfair, M, at least you can take comfort in the fact that you're absolutely right.

NEW HOURS OF OPERATION!
Beginning September 1st 2015

Monday through Friday 8 am - 5 pm
Saturday 9 am - 2 pm
Closed Sunday



**In observance of Labor Day
Orca Information will be
closed on
Monday September 5th, 2015**



LEGAL DEFINITION OF DISMISSED WITH PREJUDICE OR WITHOUT PREJUDICE

Dismissal with Prejudice.

A case is dismissed with prejudiced whenever jury or bench trial verdict comes back as "not guilty", the state agrees to dismiss the charge and believes it will never be able to re-file or when the court dismisses the state's case and believes the possibility of re-opening the case should be foreclosed. The dismissal with prejudice means that the case is closed for good and that the defendant is free from a guilty judgment. In cases that go to trial and result in a favorable defense verdict, the dismissal is obvious. There are also cases where the state does not believe it can move forward and makes a motion to dismiss it's own charge. This usually occurs when the state is having trouble getting its witnesses to court and can not move forward without them. If this realization occurs late in the process, i.e. day of trial, the case will likely be dismissed with prejudice.

Dismissal without Prejudice.

A dismissal without prejudice occurs when the state believes it can not move forward with its case but wants to keep open the possibility of re-filing the charge. Sometimes these dismissals occur at the request of the alleged victim or because the state feels the alleged victim does not wish to cooperate and there is no other testimony or evidence that is likely to gain a conviction. In such cases, the state can move to dismiss the case in a manner that allows them to re-file in a reasonable period of time should the alleged victim have a change of heart and wish to prosecute at a later time. Such a dismissal is usually a good outcome but one which obviously carries with it the specter of re-filing.

OUR CUSTOMER SERVICE MOTTO

People are unreasonable, illogical, and self-centered,
LOVE THEM ANYWAY
If you do good, people will accuse you of Selfish, ulterior motives,
DO GOOD ANYWAY
If you are successful, You will win false friends and true enemies,
SUCCEED ANYWAY
The good you do will be forgotten tomorrow,
DO GOOD ANYWAY
Honesty and frankness make you vulnerable,
BE HONEST AND FRANK ANYWAY
What you spent years building may be Destroyed overnight
BUILD ANYWAY
People really need help But may attack you if you help them,
HELP PEOPLE ANYWAY
Give the world the best you have And you'll get kicked in the teeth
GIVE THE WORLD THE BEST YOU'VE GOT ANYWAY.

(from a sign on the wall of Shishu Bhavan, the children's home in Calcutta,

`Mother Teresa, A Simple Path')



Find our Featured Form on our homepage.

[How to Read a Trans Union Credit Report](#)

Train Your Staff!
[Educational YouTube's Available](#)

What our client's are saying about Orca...

"Thanks for sending the reports last week and today. We appreciate all you do for us!"

C. Clark, Anacortes WA

"You ROCK! Thanks for the quick work :-)"

L. Long, Oak Harbor WA

Orca Wisdom

"People like us, who believe in physics, know that the distinction between past, present, and future is only a stubbornly persistent illusion."

-A. Einstein

Friendly Reminder:

Receive faster results!! Make sure to have applicants completely fill out application legibly in Blue or Black ink. This helps speed up the screening process and results in a quicker turn around time.

Thank You,
The Orca Pod