

## What if you've had an eviction before- does that always show on your credit?

California has rules that limit when an eviction can be reported on your credit. A credit reporting agency can only show your eviction if:

1. Landlord has won within 60 days, or
2. Landlord has won at trial after 60 days.

If possible try and negotiate a settlement to mask\* the eviction (\*Masking means that only you and your attorney, and the landlord and the landlord's attorney can see the eviction case filing for a period of time).

## What if I am in the middle of an eviction right now? Will a new landlord be able to tell that from my credit?

No! California tries to make it so that renters are not automatically blacklisted by landlords every time a landlord files an eviction case. Our state has a 60-day masking rule, which means that only you and the landlord evicting you (and the attorney for each of you) has access to information about the eviction for 60 days from the date when the complaint gets filed in court. Use that time to find another place to rent.

### What Gets Reported on Credit?

Credit Cards, Evictions, Almost All Loans, Collections, Debt Judgments

### What Doesn't Get Reported?

Utility bill payments, rent, checking or savings account issues (usually), prepaid cards



## Strategies for renters- when you don't have time to improve your credit

### 1. Offer an extra half-month of security deposit

(Note that the state has a maximum on the amount of security deposit, however, depending on whether a unit is furnished or unfurnished).

### 2. Get reference letters that talk about how responsible you are

These could be from a current or former employer, or a well-known community member, or a previous landlord. Be creative—you may think of someone else whose word carries weight. Even the landlord who evicted you might be willing to write a letter if you can repay some or all of what you owe, if anything (assuming this was a legitimate eviction, or an eviction involving non-payment of rent).

### 3. Get a Co-Signer

A co-signer with good credit can make a big difference for you in getting a rental unit. However, it is risky for the co-signer. If you miss rent payments, the co-signer could end up being sued.

### 4. Write a short statement about why the eviction happened

Life happens - to all of us. A clear and personal story about what happened can make a landlord relate to you as a person, they might respect the fact that you are being frank.

### Housing & Economic Rights Advocates (HERA)

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# Credit Tips & Rights for Tenants

*Including Eviction Recovery*

# HERA

housing and  
economic  
rights advocates

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## Why credit is important

Your credit report can affect your ability to get a place to rent. On top of ordering a credit report that shows your payment history on loans, and credit cards, a landlord can order a specialty credit report that will show whether or not you have been evicted. Landlords, including public housing and other subsidized housing developments, are allowed to use credit to decide whether or not to rent to you.

## Fair Housing Rights

Sometimes landlords use credit as an excuse not to rent to you. In other words, they claim that your credit is the reason for why they are not renting to you, but they actually have an illegal reason— a discriminatory reason— for not renting to you. Trust your gut instinct, and consult with HERA about what happened. Take notes of what the landlord has said to you. Save all emails and letters. State and federal fair housing laws protect you, and you can file a complaint to fight the abuse. HERA can advise you on your rights and how to file a complaint.

## Credit Rebuilding Tips for Tenants

Anyone can rebuild their credit. It just takes a little time and being strategic.



## Steps to Rebuild

### Step One: Understand What Your Credit Report Says

First get your free credit report from [annualcreditreport.com](http://annualcreditreport.com) or call them at 877 322-8228. It will not show a credit score but it does show your credit history. For a free score, and for your credit history, you can go to Credit Karma (watch out for Credit Karma trying to sell you additional services). Read it and try to understand as much as you can. Contact HERA if you need help figuring out how to read the report. You should not pay anyone who claims to be able to do it for you. These “services” are scams.

### Step Two: Get Errors On Your Report Corrected

The federal Fair Credit Report Act requires credit reporting agencies to take your complaint and investigate errors. You can get a form letter from HERA to send to the reporting agency to request corrections. Send a copy of your letter by certified mail to all three major credit reporting agencies, and keep a copy of your final letter for your records. You can also email your dispute to them: <https://www.myfico.com/cc/CorrectionOverview/Transunion-Experian-EquifaxDispute.aspx>

In addition, you should write to the lender, or landlord or whoever is reporting false information, and ask them to remove the incorrect information.



### Step Three: Build Good Credit. A few ways to do that are:

- Pay any loan or credit card that you have on time.
- Avoid using more than 1/3 of your available credit on a credit card (if you use more, that counts against your score).
- Use a secured credit card or get a fresh start loan from a credit union. For example- you leave \$100 in savings at the credit union, and then you borrow \$100 against that \$100. As you repay the \$100, you build good credit because the credit union reports your on-time payments to the credit bureaus.
- Address debt collection problems or delinquencies. Contact HERA to strategize how to do that; you'll have different options for each different kind of debt.
- Use [www.money-happy.org](http://www.money-happy.org) to find resources that might help you save money each month so you can make ends meet and keep up with your bills.

#### **Credit Bureaus Contact Information:**

Experian  
P.O. Box 4500  
Allen, TX 75013  
Phone: (888) 397-3742

Equifax Information Services, LLC  
P.O. Box 740256  
Atlanta, GA 30348  
Phone: (866) 349-5191

TransUnion, LLC  
Consumer Dispute Center  
P.O. Box 2000  
Chester, PA 19016  
Phone: (800) 916-8800