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Q & A: Tracy Becker, Credit Restoration and Education Expert

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Good credit is important when renting an NYC apartment, and it's absolutely essential if you intend to buy. But what exactly is *good* credit? And could yours be *better*? We spoke to Tracy Becker, President and CEO of [North Shore Advisory](#), a leading Credit Restoration/Education and Monitoring Service. With 25 years of experience and a vast knowledge of credit law, North Shore Advisory professionals have improved thousands of credit profiles, leading loan applicants to savings of hundreds and thousands in interest, as well as giving many clients the opportunity for loan approval. We asked them everything you always wanted to know about credit, but were afraid to find out!

What does North Shore Advisory do to help real estate clients?

First, we evaluate credit profiles to assess what can be done to improve credit scores making buyers more attractive to lenders, sellers, and co-op boards. We can work on accounts that have gone into default, charge-off, collection, judgment, or any negative status with creditors if those accounts qualify for our program. The process also includes educating the consumer on the many subtle and misunderstood rules of credit. Having excellent scores is not just about removing, updating, or correcting negative information that is inaccurate. It is also about being able to understand all of the factors involved in maintaining a high score, while staying informed of current credit rules.

What are the biggest misconceptions people have about their credit scores?

There are so many, where do we begin? I think the one that affects buyers the most is the various credit scores offered online for purchase. Buyers who are smart enough to check their credit scores long before they are shopping for a property do not realize there are many scores available. If they do not go to www.myfico.com to buy their FICO scores, they may be purchasing a score that has a totally different score range and does not match up to the scores used by bankers. For example, there are Vantage Scores, Plus Scores, Equifax Scores, and Credit Sesame scores, to name a few. These may wind up being very different from the FICO scores used by most lenders.

What's the easiest way for a person to improve his or her credit score right away? What's the easiest way to destroy it?

Every person is different and every credit profile is unique to that person's history, so there is no one hard and fast rule. Since paying late on accounts can destroy credit very easily, sometimes dropping scores as much as 120 points, making sure all your accounts are paid on time is definitely a long-term benefit. Having high balances on credit cards can also drop scores dramatically. If a consumer wants feedback on their credit situation they can email Randi Tomchin, one of our top NYC credit specialists, at Randi@northshoreadvisory.com.

Have laws concerning mortgages and credit changed as of 2013?

What seems to be changing most is the threshold credit scores must be at for loan approval. Since Manhattan loans are usually very high, the scores most lenders are looking for are FICO scores of 740 and above. Having scores above 740, along with all the other factors needed for loan approval, can mean savings of \$200,000, \$500,000, or more over the term of the loan, depending on size of the mortgage.

What if a couple wants to buy a home together, and one person has bad credit?

Either the bad credit must be improved, or the loan must be put in the person's name that has the good credit. The problem is if their income does not qualify for approval, the loan will be denied. This is why it is so important to review and monitor credit well in advance. We also offer credit monitoring products and an educational credit log-in site for our clients.

How long does it typically take for someone to overcome bad credit?

It really depends on the state of the individual's credit and whether we can help them. If we can help, it is very possible scores will improve within 20-40 days. Most negative credit remains for seven years from the date of the delinquency, while a bankruptcy remains for 10 years. Although these time frames may seem very long, we can work on most situations that have hurt credit. First, we must evaluate the credit profile and get details from the client. Once we analyze this, we can give the individual feedback on what they should be doing and how we can help. Our website is filled with cutting-edge credit information, and I am constantly studying and researching to bring the most valuable insights to professionals and individuals. With the right credit and an understanding of how it works, buyers can save a fortune while improving the quality of their lives.