# Mitigating Foreclosure Impact

This playbook provides a structured approach for understanding and mitigating the long-term impact that a foreclosure can have on one's credit score. It outlines steps to manage and recover credit health after experiencing a foreclosure.

### Step 1: Assessment

Begin by obtaining a current copy of your credit report from all three major credit bureaus to assess the damage caused by the foreclosure.

### Step 2: Dispute Errors

Review your credit report for any errors or inaccuracies related to the foreclosure entry. Dispute these errors with the credit bureaus to have them corrected.

### Step 3: Budgeting

Create a budget that allows you to manage your debts and bills effectively. Ensuring timely payments is essential to rebuilding your credit score.

### Step 4: Rebuilding Credit

Start rebuilding your credit by using a secured credit card responsibly and paying the balance in full each month.

### Step 5: Installment Loan

Consider taking a small installment loan that you can comfortably pay off to demonstrate financial responsibility and ability to handle different types of credit.

### Step 6: Credit Counseling

Seek assistance from a non-profit credit counseling service, if needed, to get personalized advice for managing debts and improving your credit situation.

### Step 7: Monitor Progress

Regularly check your credit score and reports to monitor any changes and improvements over time. Keep track of your financial habits to avoid future foreclosures.

## General Notes

### Credit Bureaus

The three major credit bureaus in the United States are Equifax, Experian, and TransUnion. Their reports may vary, so it's important to check all three.

### Timeliness

The impact of a foreclosure on your credit score can diminish over time, especially if positive credit behaviors are consistently demonstrated.

### Legal Advice

Consult a legal professional to understand your rights throughout the foreclosure process and any possible consequences that may not be covered in this playbook.