

CREDIT PULLS:

Hard vs. Soft Inquiries

We're giving you the 411 on credit inquiries, because knowing how they affect you is a big part of being financially healthy. When you apply for credit or a loan a creditor will "pull" your credit. This check is called a hard inquiry — but there are also soft inquiries, too. Here's what makes them different:

HARD INQUIRIES...



Are used after you apply for credit to determine whether or not you will get it.



Will show up on your credit report, and will typically remain there for two years.



Are commonly used for applications for mortgages, auto loans, credit cards, student loans, personal loans and apartment rentals.



Require your consent in order for companies to pull your report.



Can lower your score, especially if you have too many pulls in a short amount of time (though pulls in a two week period for the same type of loan — like a mortgage — are viewed as a single one).

SOFT INQUIRIES...



Are commonly used for employment verification, to pre-approve you for offers, insurance quotes or when you are checking on your score and report.



Show companies exactly what you would see if you were to pull your own credit report from Experian, Equifax or TransUnion.



Are accessible by companies without your permission — but don't worry, it doesn't affect your credit in any way.



Won't negatively affect your credit score and won't appear on your credit report.