

WHAT IS A CREDIT SCORE AND WHY IT MATTERS

HOW YOUR CREDIT SCORE IS DETERMINED

Payment History = 35%

- Late payments will damage your score
- A positive history will improve your score
- Severity and quantity of delinquencies will impact your score

Amount Owed = 30%

- Too much debt with high balances can lower your score

Length of Credit History = 15%

- The longer the history, the better
- How long have the accounts been open?
- How long since you have used them?

New Credit = 10%

- Several credit inquiries/opening new accounts in a short period of time represents a greater risk

Credit Mix = 10%

- Installment loans
- Revolving accounts
- Low balances
- No collections
- No foreclosures
- No late payments

HOW TO MAINTAIN FAVORABLE SCORES

Report fraud immediately

- If you are a victim of fraud, immediately contact the credit bureaus, credit card companies, banks ETC and the FTC at www.ftc.gov

Pay all bills on time

- Even one 30-day late notice on a small account can have a significant impact on your score

Don't co-sign loans

- By co-signing, you agree to take financial responsibility which means their late payments will negatively impact YOUR score

Don't close old revolving accounts

- Don't use it? Leave it alone! The length of time it has been open and the zero balance will help your score

Don't open new accounts




- Don't open them unless they are absolutely necessary. Inquires may impact your score and count in your qualifying ratios

REQUEST YOUR **FREE**
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