DO YOU REALLY UNDERSTAND YOUR CREDIT SCORE?



SCORE GOAL AND BENEFITS

Goal is above 700

Preferred borrower status: 750

Top borrower: over 800

BENEFITS

Lower rates

Higher borrowing capacity

Lower insurance rates

CREDIT SCORE COMPONENTS

Payment history

Amount owed on credit lines

Length of credit history

New credit opened

Type or mix of credit

WAYS TO BUILD OR INCREASE CREDIT SCORE

Reporting rent or utility payment history

Increasing credit limit without increasing balance

Authorized user on a credit card/ secured credit card

NEGATIVE IMPACT FACTORS

Lots of inquiries at one time

Public records (tax liens, collection agency items, civil judgments)

Closing paid-off credit accounts