

YOUR FICO® SCORE

LET'S BREAK IT DOWN

There are 5 weighted factors that are used in determining your FICO® score, the most common score used by lenders. **Make sure you're covered on all fronts with these quick tips:**



35% PAYMENT HISTORY



30% AMOUNTS OWED



15% LENGTH OF CREDIT HISTORY



10% NEW CREDIT



10% TYPES OF CREDIT USE/ CREDIT MIX

35%

PAYMENT HISTORY



30%

AMOUNTS OWED



15%

LENGTH OF HISTORY



10%

NEW CREDIT



10%

CREDIT MIX



- ✓ Pay your bills **on time**
- ✓ Set up **payment alerts** so you never miss a payment
- ✓ If you have missed payments, get current and **stay current**
- ✓ Know that **regardless of the type of tradeline**, a late payment will affect your score in the same way
- ✓ Know that paying off a collection account **won't** remove it from your credit report
- ✓ Keep your credit utilization (the percentage of available credit you're using) **low**
- ✓ **Pay off** your debt rather than "moving it around" to other cards
- ✓ **Never charge more** than you can pay off every month
- ✓ Make **multiple payments** per month - you never know when your balance could be reported to the bureaus
- ✓ Closing a credit card could actually **lower** your score
- ✓ **Opening new accounts** will lower your average account age, which could lower your score if you have a short credit history
- ✓ **Rapid account buildup** can look risky if you're a new credit user
- ✓ Become an **"authorized user"** on someone else's credit card to build responsible credit history
- ✓ **Be patient** - the major bureaus tend to look for credit histories of **5+ years**
- ✓ If you're shopping for a new mortgage, map out the period of time you'll be searching, and keep it within a **45-day window** to avoid multiple hard inquiries
- ✓ **Re-establish** your credit history if you've had problems
- ✓ **Say no to pre-approved offers.** A pre-approval does not mean you've been approved, and the creditor will need to pull your credit to find out
- ✓ Opening new accounts **responsibly** and paying them off on time will raise your score in the long term
- ✓ Apply for and open **different types of credit accounts**, but only as needed
- ✓ Use your credit cards **lightly but regularly**
- ✓ If you've been using plastic responsibly for about a year, consider applying for an **installment loan**
- ✓ Because it's only worth 10%, you should only focus on **mixing your credit** once you've been managing credit responsibility for awhile