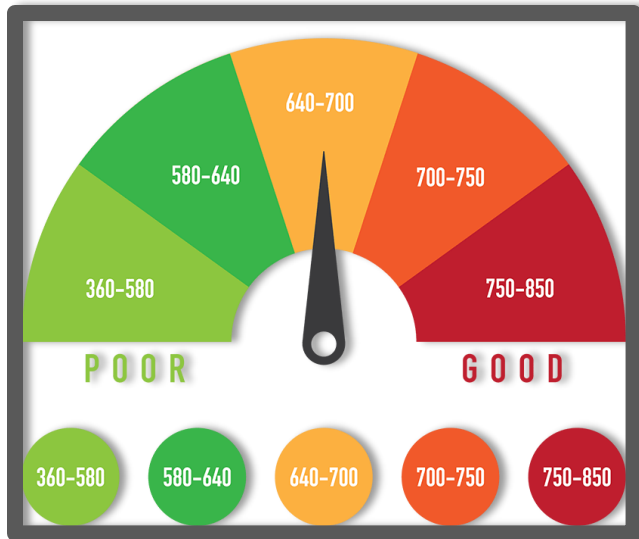


# CREDIT SCORES



## WHAT MAKES UP A CREDIT SCORE?

- 35% = Payment history** (on-time pays or delinquencies)
  - \*More weight on current pay history
- 30% = Amount owed** (a.k.a. capacity)
- 15% = Length of credit**
- 10% = New credit** (accumulation of debit in the last 12-18 months)
- 10% = Type of credit**
  - \*Installment (can raise) vs. revolving (can lower)
  - \*Finance company loans can lower your score

## WHAT ACTIONS HURT YOUR SCORE?

- Missing payments – *Affects score 60-100 points*
- Credit cards at capacity – *Approximately 1 point for every % used*
- Excessively shopping for credit – *Plan for no more than 2-4 inquires per year*
- Opening numerous trades in a short time frame – *Recommend no more than 2-3 accounts per year*
- Having more revolving debts in relation to installment debts
- Closing credit cards out
- Borrowing from finance companies – *See your credit union first. We are here to help!*

## HOW CAN YOU IMPROVE YOUR SCORE?

- Pay off or pay down on your credit cards
- We recommend not closing cards
- Move your revolving debt into installment debt
- Continue to make payments on time
- Slow down on opening new accounts
- Acquire a solid credit history with years of experience

## RESOURCES

TransUnion

- Phone number: 877-322-8228
- Website: [https://www.transunion.com/credit\\_services](https://www.transunion.com/credit_services)

