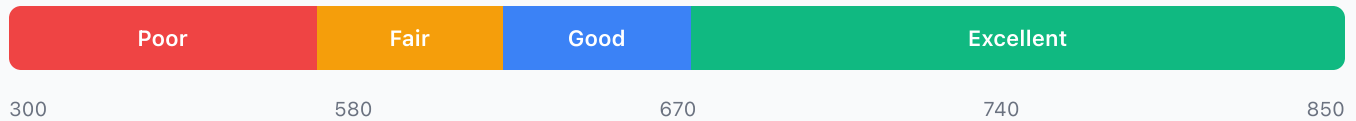


Credit Score Reference Sheet

Quick guide to understanding and improving your credit score

Credit Score Ranges (FICO)



The 5 Factors That Determine Your Score

- 35% Payment History**
Your record of on-time vs. late payments. Most important factor!
- 30% Credit Utilization**
Percentage of available credit you're using. Keep below 30%.
- 15% Length of Credit History**
How long you've had credit accounts. Older is better.
- 10% Credit Mix**
Variety of credit types (cards, loans, mortgage).
- 10% New Credit**
Recent credit applications. Too many hurts your score.

Actions That HELP Your Score

- Pay all bills on time, every time
- Keep credit card balances low (<30%)
- Keep old accounts open
- Become an authorized user on a good account
- Mix of credit types (cards + installment loans)
- Check your report for errors
- Set up automatic payments

Actions That HURT Your Score

- Late payments (30+ days)
- Maxing out credit cards
- Applying for too much credit at once
- Closing oldest credit cards
- Collections or charge-offs
- Bankruptcy or foreclosure
- Only having one type of credit

The Three Credit Bureaus

Equifax

equifax.com

Experian

experian.com

TransUnion

transunion.com

Get free reports annually at AnnualCreditReport.com

Real-World Impact of Your Credit Score

Loan Interest Rates

750 score: 4% APR

650 score: 8% APR

On \$25K car loan = \$2,600 difference!

Renting an Apartment

Landlords check credit. Low scores may require larger deposits or co-signers.

Insurance Premiums

Many insurers use credit-based scores. Poor credit = higher premiums.

Employment

Some employers check credit for positions involving money or security.

Utility Deposits

Good credit may waive deposits for electric, gas, or phone services.

Credit Card Offers

Best rewards cards require excellent credit (740+).

Top Strategies to Build/Improve Credit

1 Set Up Autopay

Never miss a payment - the #1 factor in your score.

2 Use <30% of Credit

If you have \$1,000 limit, keep balance under \$300.

3 Keep Old Accounts Open

Even if you don't use them, they help your history.

4 Become Authorized User

Ask parent/guardian to add you to their good account.

5 Start with Secured Card

Deposit becomes your limit; good for beginners.

6 Check Report for Errors

Dispute any mistakes with the credit bureaus.

7 Limit Hard Inquiries

Only apply for credit you really need.

8 Pay Before Statement

Low balance when reported = lower utilization.

Common Credit Score Myths

MYTH: Checking your own credit hurts your score.

FACT: Checking your own score is a "soft inquiry" and doesn't affect it.

MYTH: You need to carry a balance to build credit.

FACT: Paying in full each month is better - shows responsibility, avoids interest.

MYTH: Closing old cards improves your score.

FACT: Closing cards reduces credit history length and increases utilization.

MYTH: Income affects your credit score.

FACT: Income isn't a factor - only how you manage credit matters.

MYTH: All credit inquiries hurt your score equally.

FACT: Rate shopping for mortgages/auto within 14-45 days counts as one inquiry.

Quick Reference: Key Numbers to Remember

30%

Maximum utilization to maintain

35%

Weight of payment history

7 Years

Late payments stay on report

740+

Score for best interest rates

10 Years

Bankruptcy stays on report

1x/Year

Free credit report from each bureau