



How to Improve Your Credit Score

And Save Considerable Money in the Process

4 Things Your Credit Score Determines:

1. Whether you'll be approved for credit for mortgages, car loans, installment loans, and credit cards
2. What interest rate you'll get on those loans
3. The cost of your homeowners and car insurance
4. In some cases, whether you get that job offer you've been hoping for

The Three Credit Bureaus:



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What makes up a Credit Report?

- It is simply a record of your credit activities
- It lists all of your credit card accounts and loans, the balances as well as your payment history.
- It shows if any action has been taken against you (judgments, liens, bankruptcies, etc.)

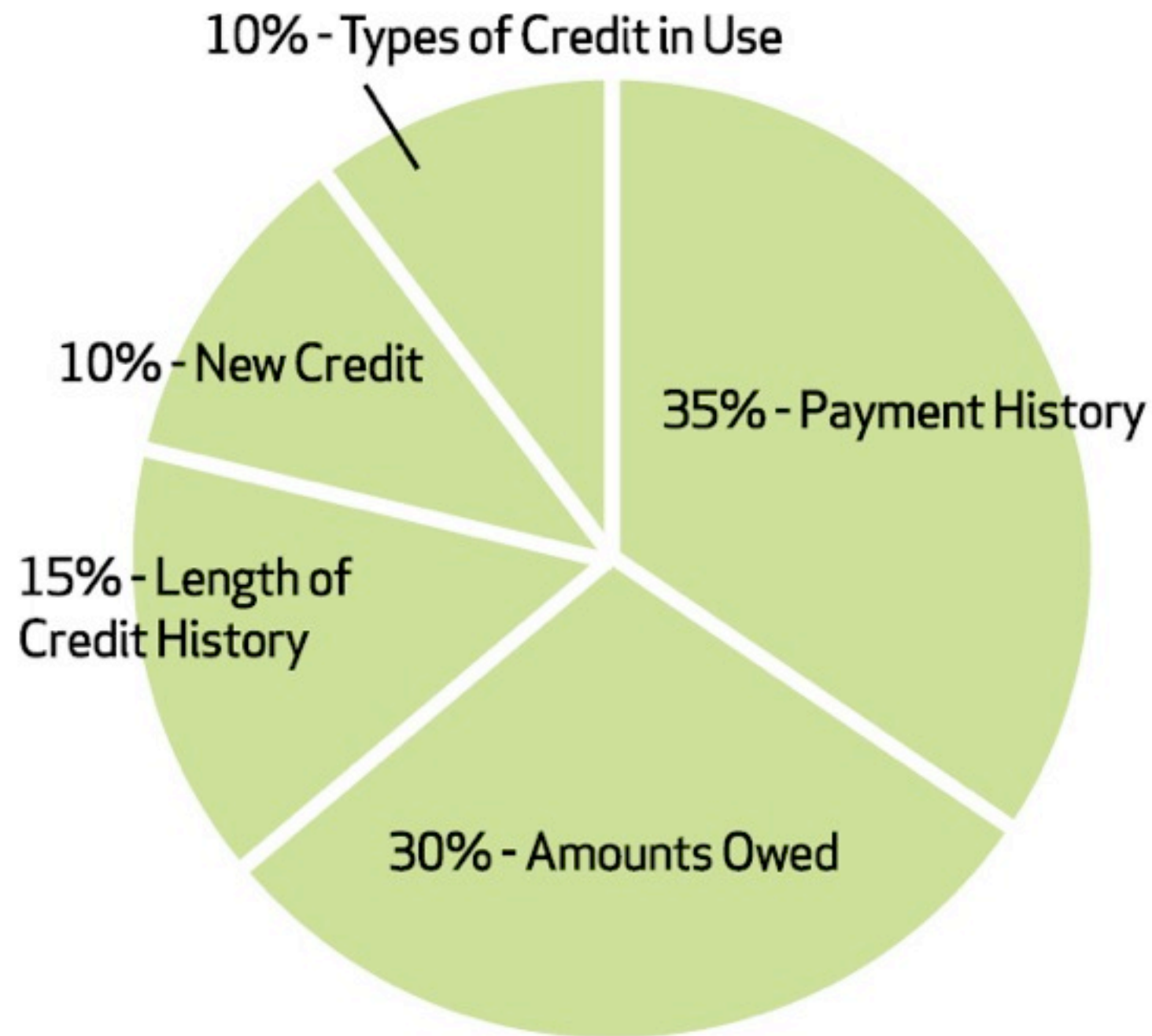


For Your Protection

- Under the Fair Credit Reporting Act (FCRA), enforced by the FTC, both the credit reporting agency and the organization that provided the information to the CRA (usually the creditor) must correct any errors or incomplete information in your report.



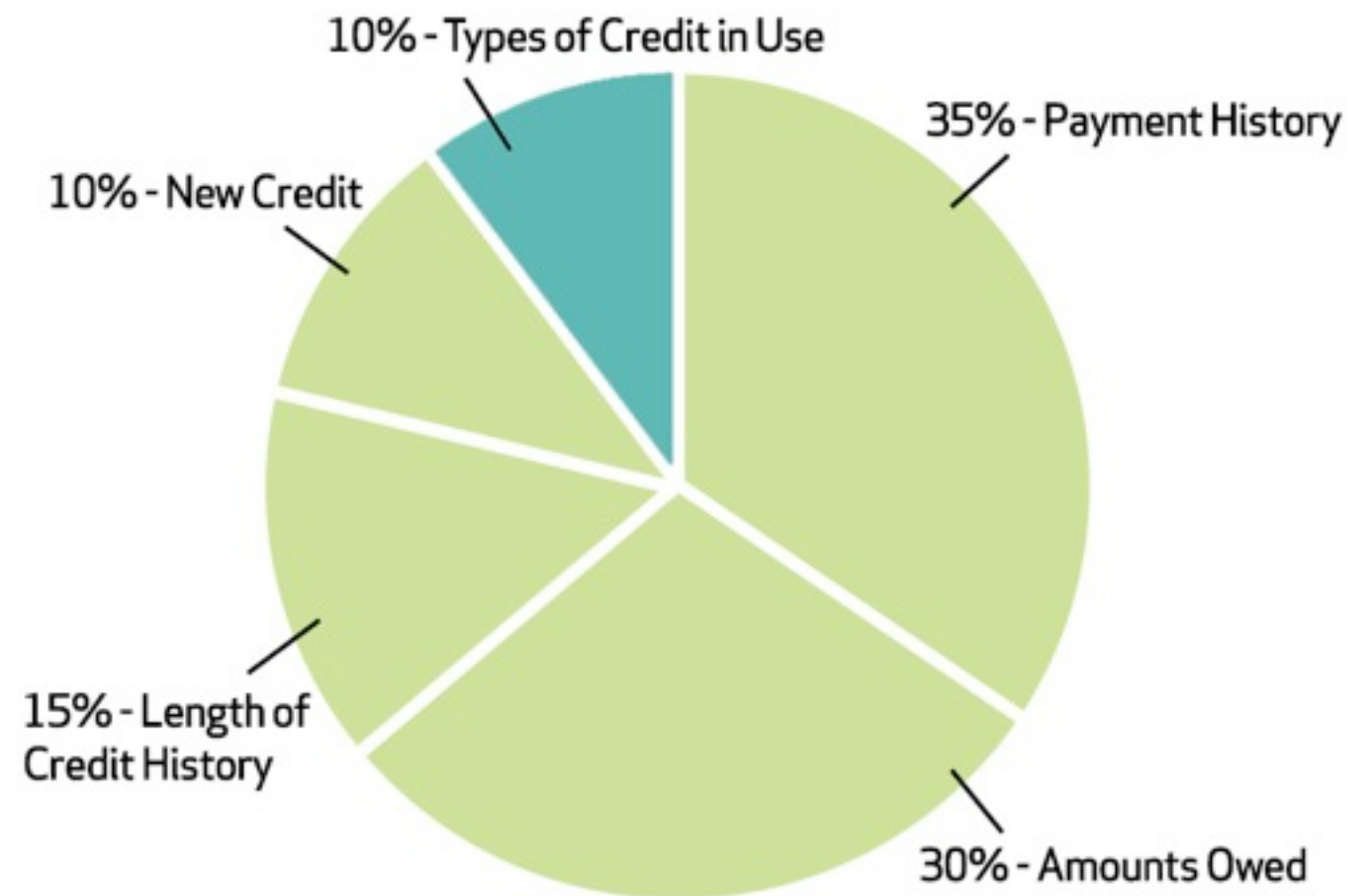
What makes up my Credit Score?



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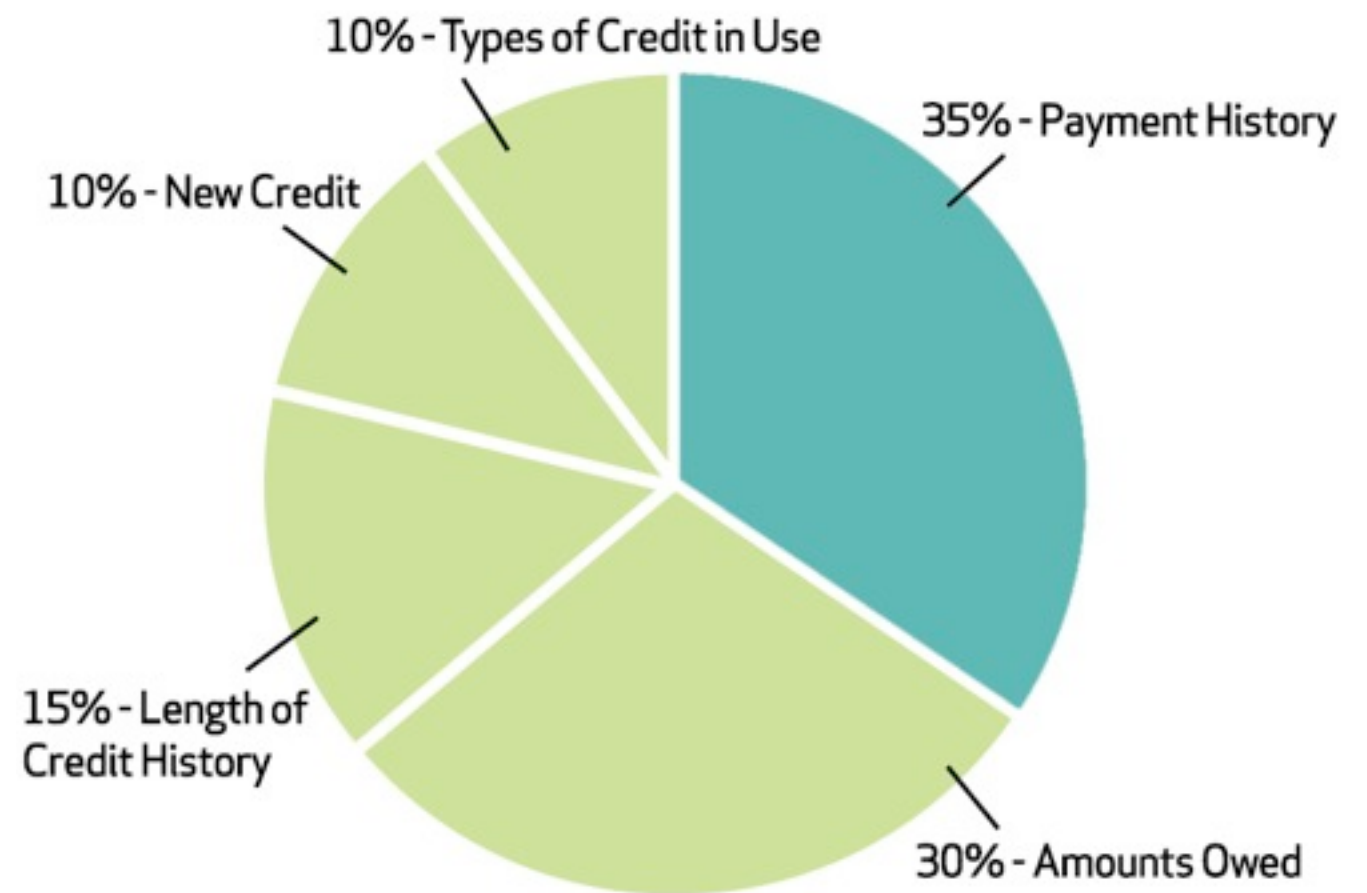
Types of Credit in Use

- Considers the number of credit accounts and the mix of credit types: credit cards, installment loans, mortgages, and is most important if you don't have a very long credit history



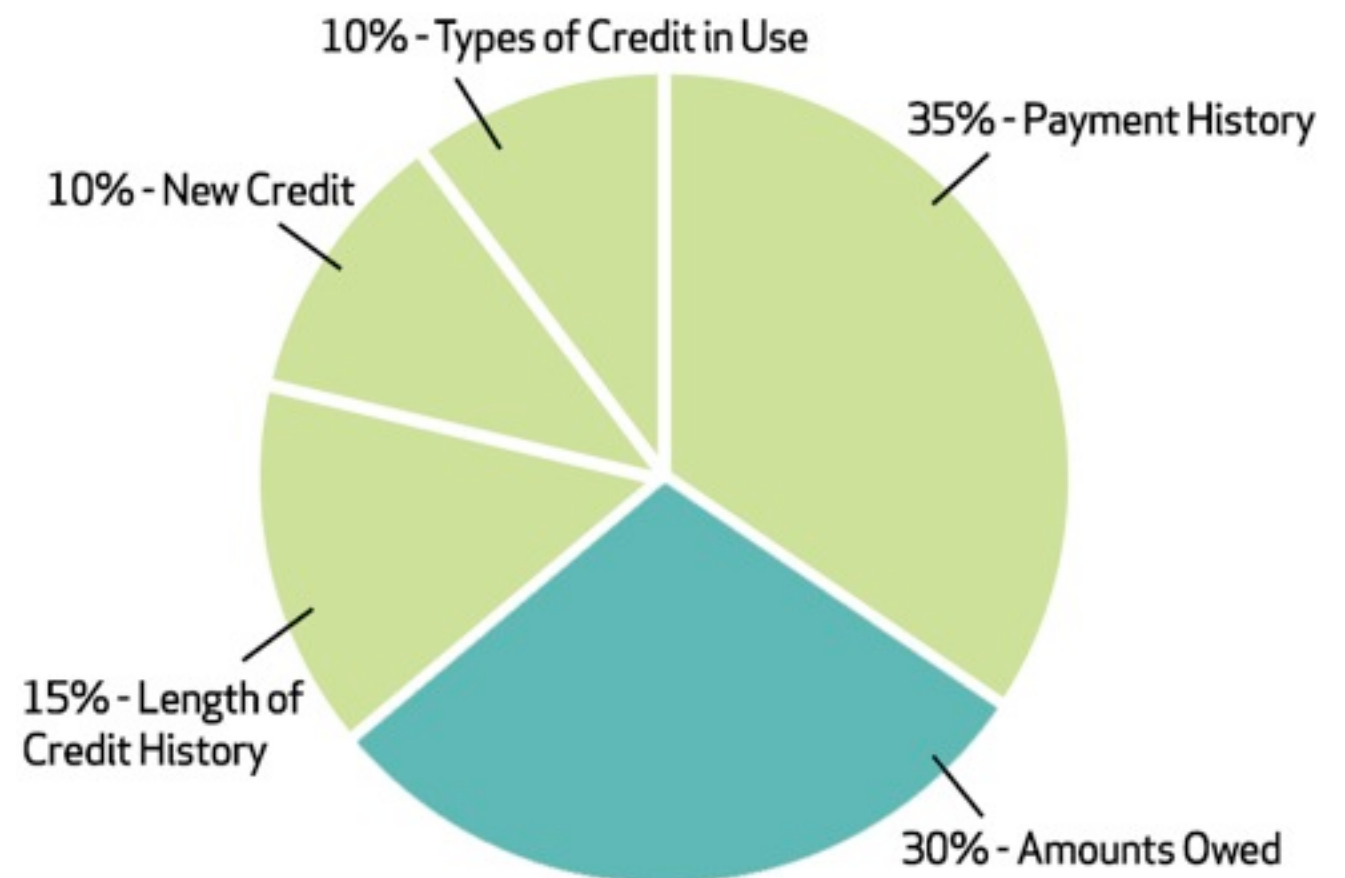
Payment History

- Takes into account (1) many different types of payments, including mortgages, major credit cards, department store credit cards, car loans, other installment loans such as for furniture, etc., (2) information from public records, such as bankruptcies, liens, lawsuits, foreclosures, judgments, and wage garnishments, (3) details of any missed or late payments, such as the amount, how long ago it occurred, and how late it was.



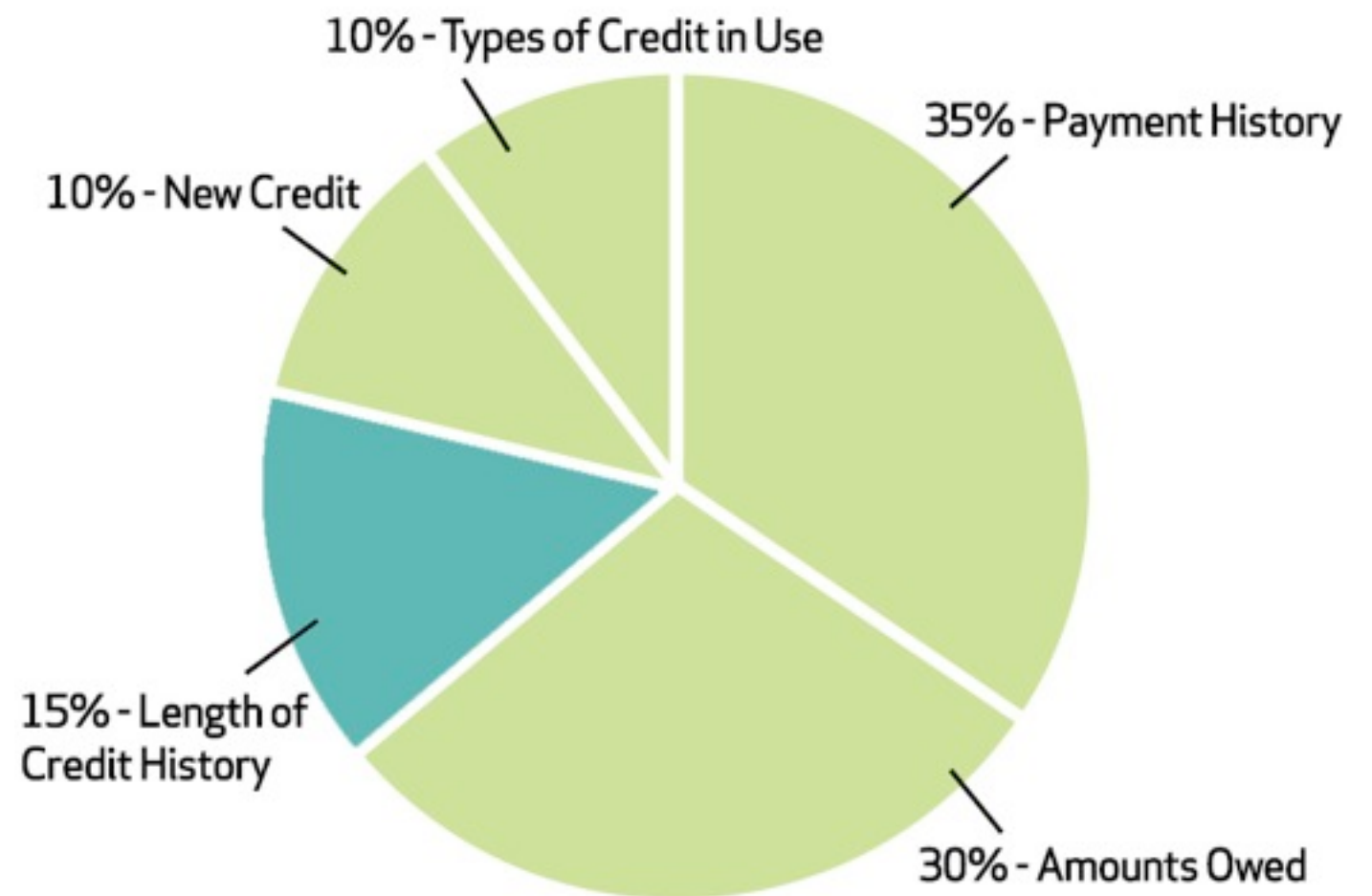
Amounts Owed

- Looks at the (1) the total of all the amounts you owe for all accounts, (2) the mix of amounts owed (credit cards vs. installment loans, for example), (3) the number of accounts that have balances, (4) how much of your total credit available on credit cards and installment loans you're using (the closer you are to maxing out your available credit, the more negative the impact on your score) and (5) how much of the original balance borrowed you still owe on installment loans, like your car.



Length of Credit History

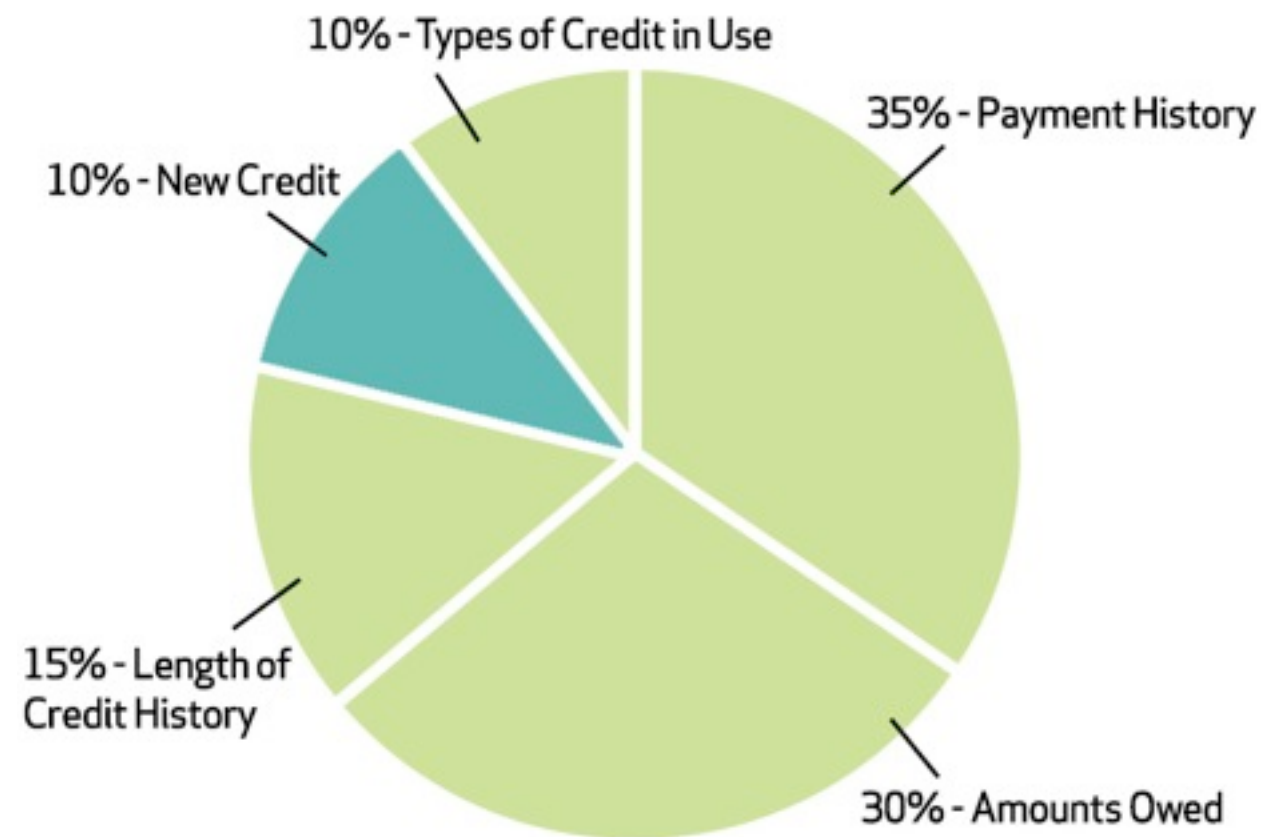
- As long as you don't have negative information in your file, the longer your credit history, the higher your score.



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New Credit

- Considers (1) how many new credit accounts you've opened recently, (2) how long it's been since you opened a new credit account, (3) how many requests you've made for credit recently, (4) how long it's been since lenders have requested credit information on you, and (5) how good your recent credit history has been.



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#1. Pay your bills on time.



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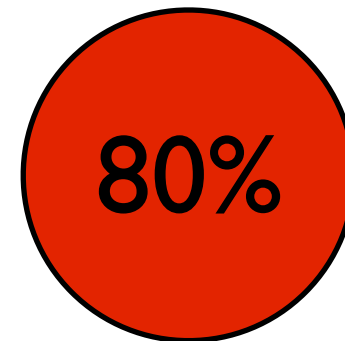
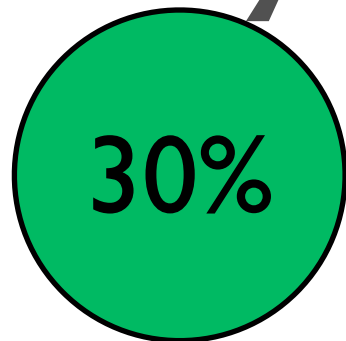
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#2. Don't open accounts you don't intend to use.



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#3. Keep your balance low in relation to your available credit.



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#4. Order a copy of your credit report and correct any significant errors.



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#5. Don't close unused accounts in good standing.



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#6. Don't open several new accounts in a short period



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#7. Have a good mixture of credit cards and installment loans.



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**#8. Work with us to
boost your score!**

Thanks for coming!



Helping Iowans
build wealth,
responsibility and
independence.

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