

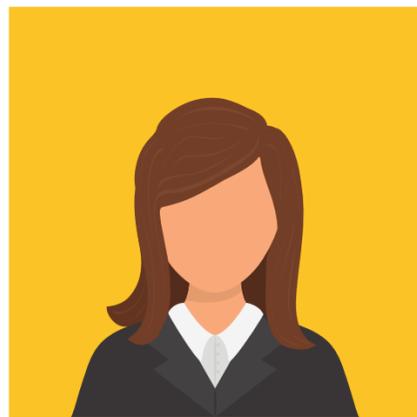
# Credit Score and Reports

- What is a credit score?
- How is your credit score calculated?
- How can you help protect your credit score?

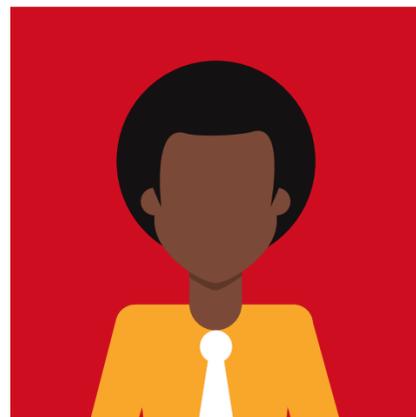


# What is a good credit score?

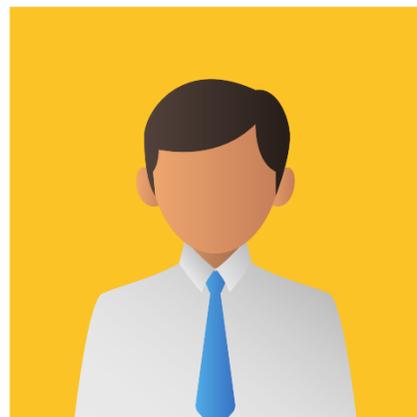
A credit score is a three-digit numerical rating that reflects how likely you are to repay your debt. Financial institutions review this information to assist in determining if you qualify for a loan. There are many different variants of credit scores. Two of the most common are the FICO and VantageScore models.



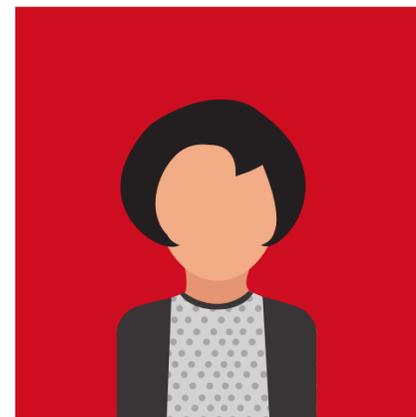
580  
Very Poor



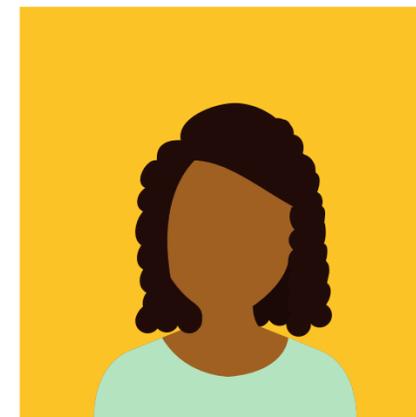
600  
Fair



670  
Good



730  
Good



780  
Very Good



810  
Exceptional

\*\*These credit ratings are for informational purposes only. Lenders and other companies that use credit scores set their own guidelines.

# Who are the Credit Bureaus?

There are three major credit bureaus in the United States.

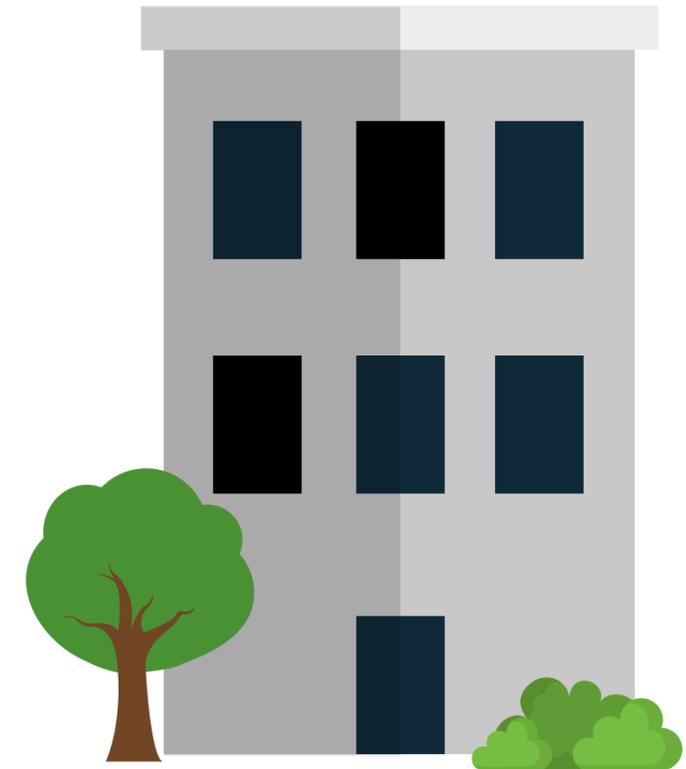
Equifax



Experian

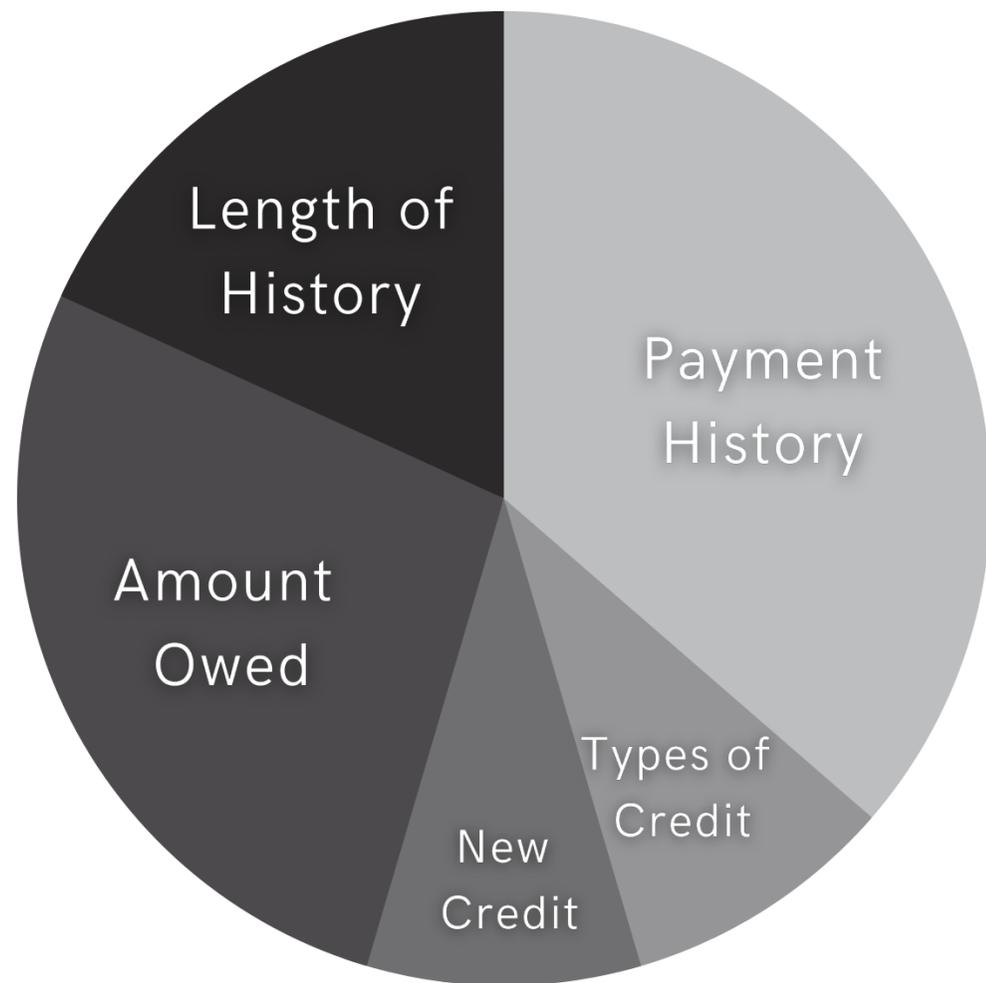


TransUnion



\*\*Not all creditors report to all three agencies, so your credit history and score may vary between them.

# Credit Score Components



\*\*Because each bureau uses its own method to calculate credit scores, these percentages are only estimates and subject to change.

## Payment History

- Are your bills paid on time each month?
- Do you always pay at least the minimum payment required?
- Remember, even one late payment can have a negative impact. It is important to not be late on any payments.

## Types of Credit

- Do you have a variety of credit types, like credit cards, auto loans, a mortgage, student loans, etc.?
- Having more credit types may increase your score.

## Length of History

- When did you establish the credit?
- When you have a lengthy and positive credit history you are considered less of a risk to creditors.

## Amounts Owed

- How much do you owe?
- Do you have several types of credit?
- What percentage of your credit are you using? Carrying less than 50% of your available balance helps keep your score up.
- People who use less of their available credit are considered lower risk.

## New Credit

- Have you applied for any new lines of credit recently?
- It is important that you do not apply for multiple lines of credit at one time, this can cause a drop in your credit score.

# What does a Credit Score mean?



**Below 600**  
**Poor Credit**

Poor credit score may be the result from a major credit problem such as bankruptcy, or simply not paying your debt on time. Individuals with credit scores in this range may be rejected when applying for credit or require a deposit or additional fees. Steps should be taken to rebuild your credit score.



**600–660**  
**Fair Credit**

Individuals with credit scores in this range may have late payments or negative information on their credit history. It may be difficult to obtain credit in this range and interest rates are likely to be higher when credit is obtained.



**661–739**  
**Good Credit**

Credit scores in this range will allow most individuals to qualify for most loans. Individuals in this range likely have a solid credit history with a few missed or late payments or a shorter credit history.



**740–799**  
**Very Good Credit**

Individuals with Very Good credit scores in this range may qualify for better interest rates from lenders than those in lower tiers.



**800+**  
**Exceptional Credit**

Individuals with credit scores above 800 have the strongest credit history and usually qualify for the best loan terms and interest rates.

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# Credit Score and Reports Summary

- Understand that your financial habits can affect your credit score.
- Use available resources to help you monitor your credit score for accuracy and errors
- Use credit responsibly and pay your bills on time to avoid damaging your credit score.

