



Unlock the Door to your Dream Home

REPAIR, IMPROVE & MAINTAIN YOUR CREDIT

Credit Scores are significant factors in mortgage underwriting. Here are helpful suggestions to improve your credit rating:

1. **Credit Errors:** Please be sure to review your credit report for any errors. Credit errors are very common on credit reports. If you find an error, contact the creditor and contact the credit bureau to dispute this information.
2. **Payment History:** Pay your bills on time each and every month. If any accounts are currently past due, do your best to bring the account current as soon as possible.
3. **Revolving Credit:** If you need to carry a balance on your credit card, try to stay below 35% of the credit limit. The closer you get to your limit, the greater the negative impact on your score. If you are over the limit on any credit cards, pay-off the overage as soon as you can afford to do so.
4. **Minimum Payment:** Pay more than the minimum payment if possible. You will save money on interest (since you will pay off your balance earlier), and credit scores factor in whether borrowers are paying just the minimum each month or are paying more towards principal each month. Also, pay prior to the end of your billing cycle, which is prior to your billing due date. Contact your creditors to confirm when your cycle ends, and when they report to the bureaus.
5. **Closed Accounts:** If you close an account (or if the creditor closes the account), be sure to pay off the balance right away. A closed account with a balance can drag down your score.
6. **Collections, Charge-Offs, Judgments and Tax Liens:** These accounts should be paid-off, as they can seriously impact your score. Contact the creditor to ask for a balance to settle the account.
7. **Authorized User:** If you are an Authorized User on a Revolving account, and the account is performing poorly, the account owner can contact the Creditor and have you removed from the account. This will have a positive impact on your score.
8. **Establish New Accounts:** Establishing new accounts can improve your score, just remember to properly manage the account. Pay the account on time and keep the balance below 35% of the credit limit. You can visit www.CreditCards.com for a directory of creditors offering revolving credit accounts.
9. **Credit Monitoring:** You should monitor your credit with either www.Equifax.com, www.Experian.com or www.Transunion.com. The cost is approximately \$15 per month and you will receive updates via text and e-mail whenever there is a change to your credit report. This will help protect you from credit errors and identity theft, since you can address these issues right away. You can also request a free credit report with each of the credit bureaus by visiting www.AnnualCreditReport.com.
10. **Give Scores Time to Improve:** You may not see an instant improvement in your credit scores but if you practice good credit habits, you will see gradual improvements. The maintenance of your credit report is very important, as the interest you pay to borrow money depends on your credit rating.