

Company operates in Georgia & Florida; Established in 2006.



## ***TAKING THE MYSTERY OUT OF CREDIT***

### **Free Credit Reports Now Available**

“Credit Scores” play an important role in today’s lending environment, yet how they are applied is often a “mystery” to the consumer. With access to a variety of new resources, consumers are empowered to learn about, and manage, their personal credit and protect their credit identity from fraud and theft.

### **What is a credit score?**

A credit score is a result of a mathematical equation that evaluates many types of information that are on your credit report. Lenders with whom you have applied will usually review your credit report and score, along with other factors, such as your ability and likelihood to repay a debt. Credit scores are often called “FICO scores” because most credit scores are produced from software based on a model developed by Fair Isaac and Company (FICO).

### **What makes up a credit score?**

The FICO score generally ranges from 300-850, and a higher score indicates a lower credit risk. FICO scores are calculated from many sources of information in your credit report, which is based on the importance of the following 5 categories:

- Payment History – Were payments made on time? 35%
- Amounts Owed on Accounts – Is the balance owed close to the limit? 30%
- Length of Credit History – How long have your accounts been open? 15%
- New Credit – How many accounts have been opened? 10%
- Types of Credit Used 10%

### **What is NOT in your score?**

- Your race, color, national origin, sex, age, marital status
- Your salary, occupation, title, employment information, or residence address
- Any interest rate being charged on your credit report
- Any items such as family/child support, rental agreements, credit counseling participation

### **What can affect my score?**

- Late Payments - Pay your bills on time. Get current on missed payments
- Credit History – When you pay off a debt or collection, or close an account, the credit reference remains on your credit report for a minimum of 7 years
- High Balances – Keep outstanding balances low on credit cards and other “revolving” accounts
- New Credit – If you have been managing credit for a short time, don’t open a lot of new accounts

### **How to improve a Credit Score:**

- Make sure information in your credit history is correct. You are entitled to one free credit report annually from either Experian, Equifax, or Transunion. Visit [www.annualcreditreport.com](http://www.annualcreditreport.com)
- Review your credit report for accuracy (date opened, balance, last activity) and have incorrect information updated.
- Pay down high credit card and revolving account balances, but don’t close them. Don’t apply for new credit that you don’t need. The combination of new inquiries and new accounts can negatively impact your score.
- Avoid moving balances from one account to another just to take advantage of low introductory rates
- If possible, avoid “finance company” type credit accounts, including “90-Day” and “12 month same as cash” accounts. Mortgage loans, installment loans, and revolving credit card accounts impact your score more favorably than finance company accounts.

**Let’s work Together to Make the Loan Process Easier. We’re Here For You!**