

# Improve YOUR CREDIT NOW

Although it's easy to become obsessed with improving your credit score, especially if you're getting ready to apply for a loan, it's best to focus on improving your overall credit report. After all, a great credit history will help to boost your credit score.

Review your credit report once a year. Type [annualcreditreport.com](http://annualcreditreport.com) directly into your address bar on your browser for a free copy of your credit report from each of the major credit reporting companies: Equifax, Experian and TransUnion.

Although many websites will promise you a free copy of your credit report, they may also try to lure you into credit-monitoring services that you may not need. Since you're entitled to a free credit report each year, you may not need to pay a third party to monitor your credit for you.

Report any errors that you find. If you see a mistake, contact the credit reporting company in writing and be sure to include copies of any supporting documentation.

Eliminate debt. Since reducing debt takes time, set short-term goals to tackle each debt, starting with the debt that has the highest interest rate. Once you've eliminated your debt, try to use less than 35% of your available credit.

Hard inquiries into your credit history may remain on your credit report for two years, but FICO will only count them against your credit for 12 months

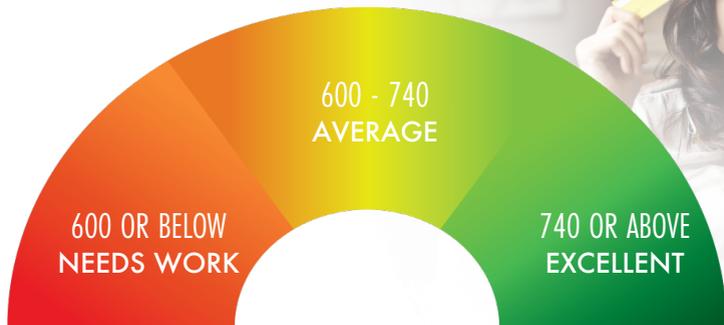
## 3 REASONS YOU DON'T NEED A CREDIT REPAIR COMPANY

The Federal Trade Commission encourages consumers to be cautious about companies that promise to repair your credit and remove negative information for a fee.

**1** No one can change negative information that has been reported correctly.

**2** The only way to remove accurate negative information from your file is to wait until the legal time period has expired

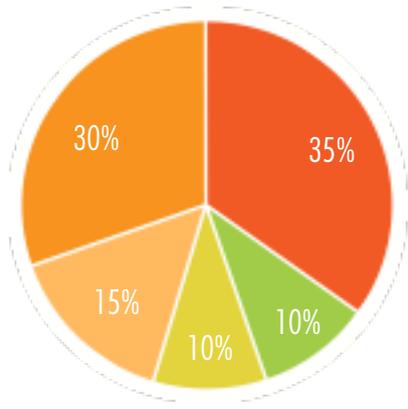
**3** You can repair your credit yourself for free by using sound credit practices



# WHAT'S IN A Credit Score?

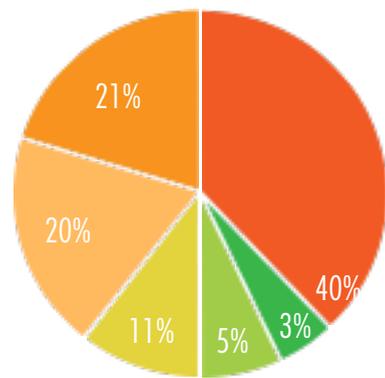
Between FICO®, VantageScore and other models, there is no single way to calculate your credit score. Take a look at the top two models and how they are calculated.

**FICO CREDIT SCORE**  
RANGE 300 - 850



- 35%**  
PAYMENT HISTORY
- 30%**  
CREDIT UTILIZATION
- 15%**  
LENGTH OF CREDIT HISTORY
- 10%**  
CREDIT MIX
- 10%**  
NEW CREDIT & RECENTLY OPENED ACCOUNTS

**VANTAGESCORE SCORE 3.0 MODEL**  
RANGE 300 - 850



- 40%**  
PAYMENT HISTORY
- 21%**  
DURATION & TYPE OF CREDIT
- 20%**  
CREDIT UTILIZATION
- 11%**  
TOTAL BALANCES
- 5%**  
RECENT BEHAVIOR
- 3%**  
AVAILABLE CREDIT

FICO is the most common credit ranking. Score varies depending on the reason for the loan. Your result for an auto loan might be different than your score for a department store credit card.

Developed by the major credit reporting bureaus, this model is used by some popular free credit report sites as well as lenders, landlords and financial institutions to see if you are credit worthy. Your score will be similar but rarely identical to FICO.