



Credit

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KNOWLEDGE IS POWER

CREDIT BASICS



WHAT

Credit is the ability to borrow money with the understanding that you will repay it later

WHY

A positive credit record let's you to reach your goals by lowering costs for borrowing money and reducing barriers to housing and employment

Your Credit Report



A credit report is a record of your bill paying history, public record information, and inquires by lenders into your credit history

A credit report is not the same as a credit score
Credit scores are a snapshot of your report in a numerical form
This allows lenders to quickly understand your credit history

You can get a free credit report every 12 months

www.annualCreditReport.com

EQUIFAX EXPERIAN TRANSUNION



What is on your Credit Report ?



- Your identifying information
- Your debts and some bills
- Public record information
- Your applications for new credit and other “inquiries”



National average FICO score



711

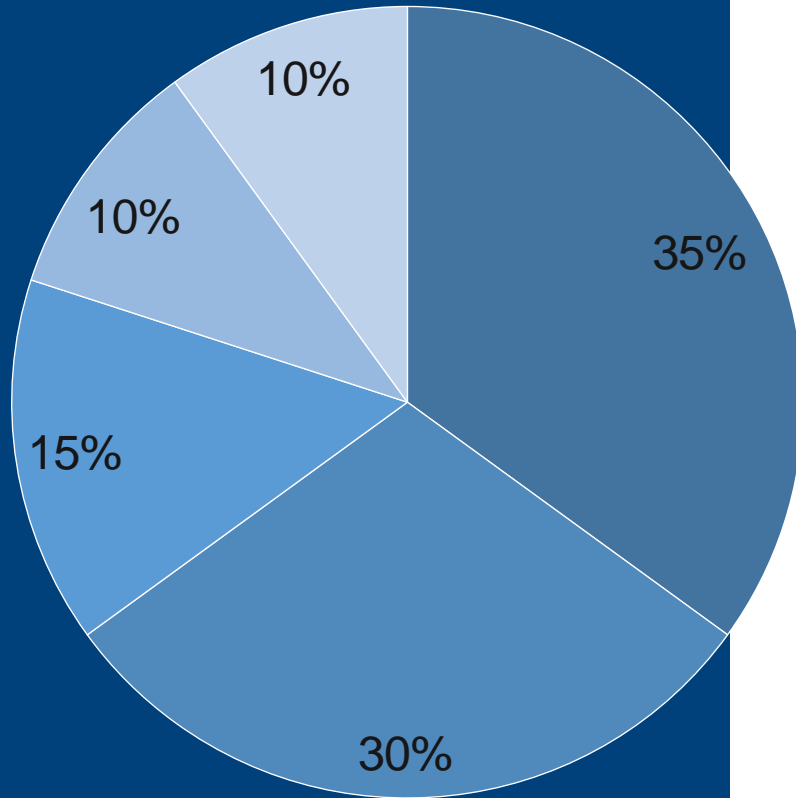
Do you know yours?

How do I get my Credit score ?



- Some nonprofit organizations
- Credit card statements or websites
- When you have a right to a score
- FICO[®] at www.myfico.com
- VantageScore[®] at www.vantagescore.com
- Three nationwide credit reporting agencies

WHAT MAKES UP YOUR CREDIT SCORE



- History of paying on time
- How much of the card limit you are using
- Length of credit
- Opening new accounts in the last 12 months
- Mix of credit

Ways to Build Credit ?



- Make loan payments and pay bills on time
- Unsecured Credit Card / Credit Builder Loan
- Keep a low balance on your credit cards
- Avoid getting close to your credit limit
- Correct any errors on your credit report
- Work with collection agencies to pay down balances
- Consider what types of credits you have: installment, revolving, or open credit



Thoughts and Questions

Thank you!

