

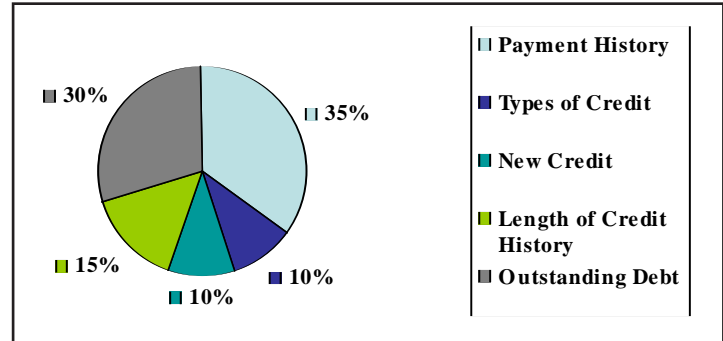


CONSUMER CREDIT  
COUNSELING SERVICE  
of Lutheran Social Services

## Keeping Score

### Playing the Credit Game...

Have you ever wondered how the three major credit bureaus score your credit history? Just as you earn points for making the right plays to score in athletic competition, over time you earn points for making all the right credit moves. Here are the five most important factors used to calculate your risk. Each factor is assigned a percentage of priority, signaling the essential credit plays you will want to make.



### What Is A Good Score?

Scores range from a low of 300 to a high of 850. A “good” score varies from lender to lender, so ask your lender what criteria they use before they extend an offer on a given product. In general, aim for a score of 680 or more to net the best offers, fastest approvals and lowest interest rates. A score of 620 or higher is generally acceptable for a prime rate mortgage loan.

### How Can I Earn A Higher Score?

Keep in mind there is no quick way to improve your score. All five factors are at play when your score is calculated. When you purchase your credit score you will be given a list of up to five reasons your score is not higher. By making responsible changes in the way you manage your credit, you can score higher points over time. See the action plan on the back for more details.

### How Do I Keep Track of My Score?

Check your credit score at least six months before you intend to apply for large amounts of credit. In addition, review your credit history (reports) annually to check for errors, omissions or signs of identity theft. To access your free reports from all three agencies call (877) 322-8228, click on [www.annualcreditreport.com](http://www.annualcreditreport.com) or send a request to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.

You are not entitled to a free credit score under the FACT ACT. You may purchase one when you access your free report, or from [www.myfico.com](http://www.myfico.com). You also have the option of purchasing additional credit reports and scores directly from Experian, Equifax or TransUnion.

**For more information, contact Consumer Credit Counseling Service.  
Call us at (605) 330-2700 or (888) 258-2227(CCCS), or check us out at  
[www.lsssd.org](http://www.lsssd.org).**

# Winning the Game of Credit...

Beginning Score \_\_\_\_\_ One Year Later \_\_\_\_\_

<b>Steps to Improve Credit Score</b>	<b>Begin</b>	<b>Complete</b>
Access free credit reports or obtain credit scores and reports from each bureau.		
Review for errors, omissions or signs of identity theft. Contact creditors and credit bureaus with corrections.		
<b>Payment History 35%</b>		
If behind, bring payments current, including judgments and liens.		
Pay bills on time every month.		
<b>Amounts Owed 30%</b>		
Keep balances low. Strive to use no more than 30% of available credit. Maximum use of credit recommended: 65% -70% Debt to Credit Limit Ratio.		
Pay down more debt than you charge each month.		
Pay off debt instead of moving it between cards.		
Keep the number of active accounts and available credit within guidelines of Debt to Income Ratio: 20% or less.		
<b>Length of Credit History 15%</b>		
Keep oldest accounts open, even if inactive. Your score considers the age of each account as well as the average age of all accounts.		
<b>New Credit 10%</b>		
Apply for and open new accounts only when needed, and if shopping for rates, such as on a mortgage or a vehicle, do so within a period of 14 days.		
<b>Types of Credit in Use 10%</b>		
Use the correct type of credit for purchases. Successfully managing a mix of types, such as mortgage, installment, finance loans and credit cards is better than using only one type. Credit Card debt, paid on time, counts the most.		
<b>Seeking assistance from a reputable counseling agency will NOT hurt your score.</b>		
If you're having credit problems see a certified credit counselor for additional help and information		

Use skillful moves, be a high scorer and a WINNER at managing your credit. If you need information to calculate your Debt to Income Ratio or Debt to Credit Limit Ratio or other help, call CCCS at (888) 258-2227 or (605) 330-2700 or click on [www.lsssd.org](http://www.lsssd.org).