

Easy ways to improve your YOUR CREDIT SCORE

Your credit score is a number that is generated from various statistics about your financial history. The major credit agencies assign these numbers based on your in-depth credit reports, and other financial institutions use your score as an indicator of your fiscal responsibility and reliability. While there are many nuances to the way that your score is calculated, the bulk of your score is derived from a few core factors:



Steps to improve your credit score

Though negative marks on your credit could affect it for years, there are steps that you can take that will have positive short-term effects on your credit score, while also curating a positive credit profile for the future.



1 Make payments on time

On-time payments throughout your credit history have one of the biggest impacts on your credit score of any factor used in its calculation and are one of the simplest ways to improve a credit score. While late payments will likely affect your credit for seven years, this number is reported by credit agencies as a percentage of total payments. If your total on-time payments in the last seven years are below 90% of total payments, your credit score will fall drastically.

2 Build your credit

Establishing a more robust history of responsible credit usage is key to building up your credit score. You want your credit report to show that you can be relied on to live up to your responsibilities in financial matters so that you have better opportunities. If there's very little to go off of on your credit report, however, it can be difficult to make the case that you are deserving of trust and investment.



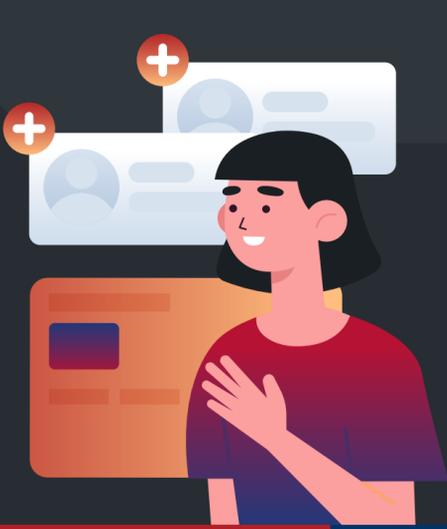
3 Catch up past due accounts

Nothing can destroy your credit like past-due debt, and if accounts are already past due, they're likely still doing damage to your credit score. Damages to your score like delinquent accounts can be recovered with a little effort. Part of the reason your credit score takes seven years of data into account is that everyone has financial troubles from time to time, but how well you can deal with those issues and get back on your feet can help prove to financial institutions that you are a solid investment.



4 Open fewer new accounts

This step can feel a little more complicated than the others, but it is still an essential piece of a good strategy to improve a credit score. Only open credit accounts that you need and strategically plan each account you open. Your credit also gets a boost from the age of your oldest credit accounts, so dealing with the same creditors repeatedly can help give your credit some extra help as well.



How does a better credit score benefit you?



When you utilize these simple ways to improve your credit score, you'll start to see some upward movement in the overall impression that institutions have of you. While there are definitely loans and opportunities available with a below-average credit score, long-term loans like mortgages and even some jobs can be impossible to get with a low score.

Major lenders can't take the time to get to know every person they deal with, so they rely on your credit score and credit report to represent how reliable of an investment you are for their money. A high credit score often gives you access to superior credit amounts and interest rates on many types of loans than you'd have otherwise.

How to start taking positive steps towards healthier credit

The easy way to improve your credit score is to start taking small and strategic steps towards a higher score today. Reorganizing unsustainable debt into credit accounts that can be responsibly handled over time is what credit building is all about, and that often takes proactive steps for more financial flexibility and a long-term plan.

