

Knowing the **CORE** of your **SCORE**

Here is an example of what the **Cost of Credit** is for a car purchase.

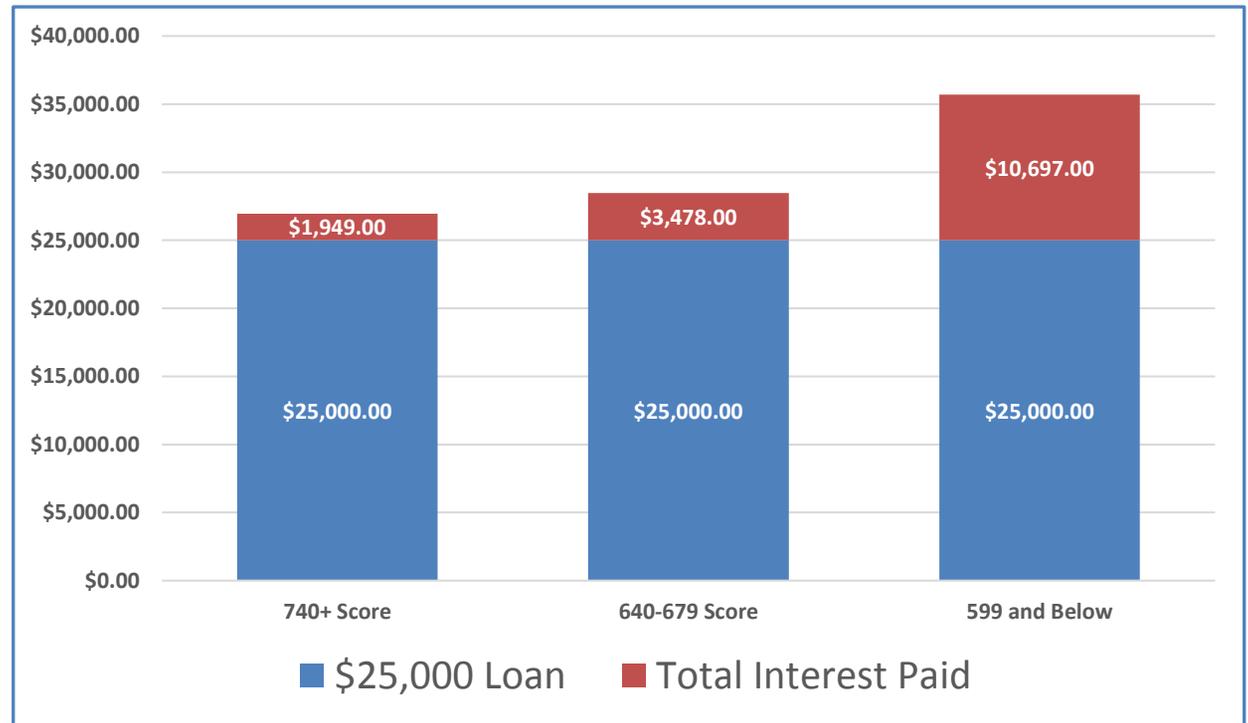
What is not different for everyone is the loan amount of \$25,000 and the term of 60 months. Most often the credit score of the applicant(s) determines the rate the money is lent out.

For this example:

740+ receives 2.99%

640-679 receives 5.24%

599 and below receives 14.99%



Resources and Information-

- annualcreditreport.com | this is the only government sponsored site for all three credit bureaus.
- Credit Bureau Sites:
 - o experian.com
 - o equifax.com
 - o transunion.com
- The Consumer Financial Protection Bureau, CFPB | consumerfinance.gov
- credit.org | national non-profit financial counseling agency | **800.431.8157**
 - o They offer financial education, budgeting assistance & debt management plans.



Knowing the CORE of your SCORE

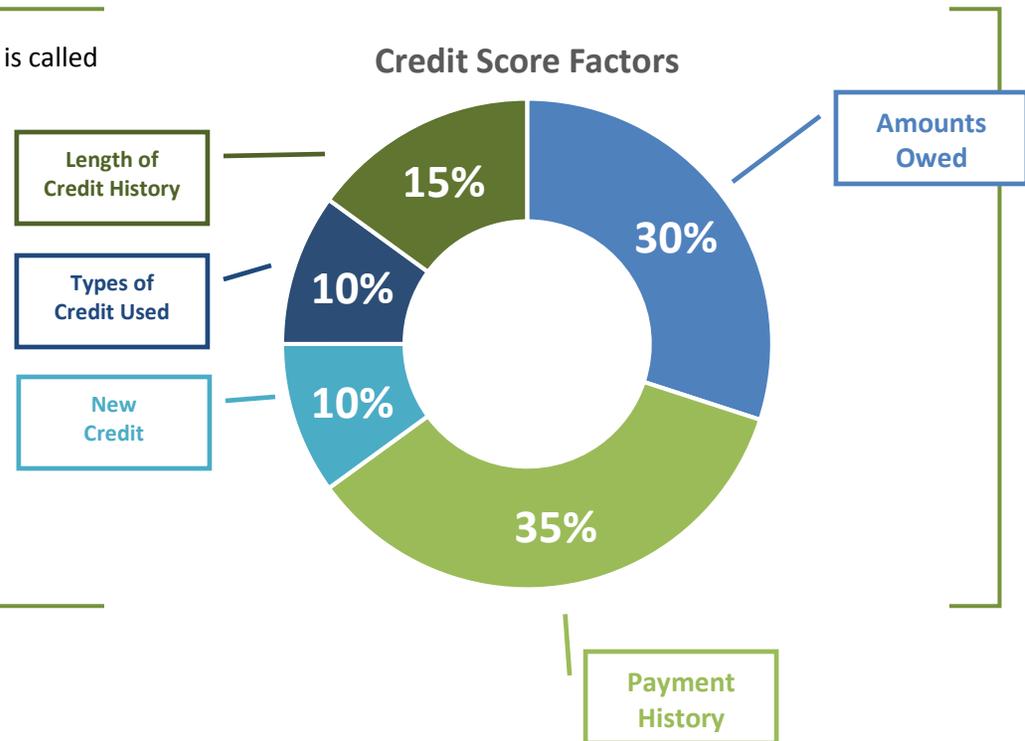
How you have paid your credit, makes up **35%** of your score. This is called **Payment History**.

30% is based on **Amounts Owed**. This is the amount you owe and how much you have available.

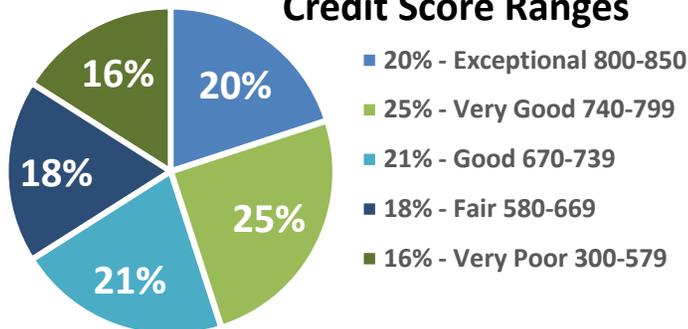
Length of Credit is **15%** of your score and is how long you have had credit.

10% is credited to **Types of Credit**. This refers to a 'mix' of credit such as a car loan, credit card, student loan, mortgage, etc.

Another **10%** is given to **New Credit**. How much of your available credit is new?



Credit Score Ranges



Tips to keep your score where it is or to improve it-

- **Set reminders to make your payments** or set them up for automatic payment or even bill pay. This reduces the risk of forgetting.
- **Pay down installment loans** and keep balances low on revolving (credit cards) accounts. Any extra towards these payments help.
- **Don't cancel an old or unused credit card.** This can impact your Length of Credit History and even your Types of Credit (mix).
- If you are shopping around for credit, like for a car loan, **keep the inquiries within a close time frame.** These would be grouped into 1.
- **Wait to open new credit** until you need it and can manage it responsibly.