

How can you improve your credit score?

Pay your bills on time.

If you struggle with on-time payments, consider using automatic payments for your accounts or setting up alerts that remind you to pay.

Keep your credit utilization low.

You don't want to borrow the full amount of credit available to you. Try to keep it at 30% or lower. For example, if you have a credit card with a \$1,000 limit, don't charge more than \$300 on the card before paying it off. The same concept applies to all credit accounts.

Apply for credit sparingly.

Applying for multiple credit accounts in a short amount of time can negatively impact your score.

Keep old accounts open.

A longer credit history can positively affect your score. Avoid closing any old accounts that have been paid off, such as credit cards, even if you no longer use them.

Use a secured credit card.

This type of card is backed by a cash deposit. The credit limit is usually the same as the amount deposited upfront. If you don't pay your bill, the issuer can take the money from your deposit. This is a great option to help those with low or no credit establish or improve their scores.

Be patient.

The best way to achieve a better score is to develop good long-term credit habits.



**Maine credit unions
are here to help
you achieve your
financial goals.**

To find a local credit union, visit
mainecreditunions.org
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How to Improve Your Credit Score



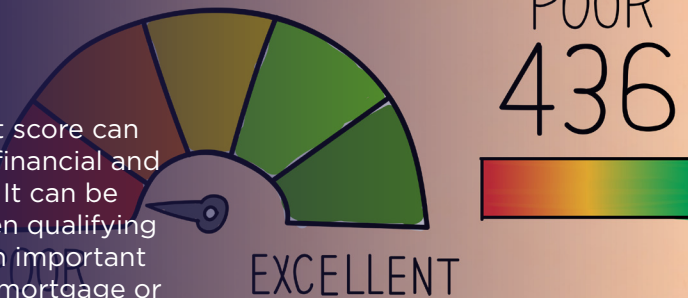
Maine Credit Unions Are Here For You

What is a credit score?

A credit score is a three-digit number, typically between 300 and 850, that represents how likely you are to repay borrowed money and pay your bills on time.

The higher your score, the less likely you're anticipated to miss a payment. Higher scores can help you qualify for better rates and terms from lenders, such as credit unions or banks.

Having a higher credit score can make achieving your financial and personal goals easier. It can be the difference between qualifying for or being denied an important loan, such as a home mortgage or car loan, and impacts how much you'll have to pay in interest or fees if you're approved.



What Are Credit Score Ranges?

800 - 850

EXCEPTIONAL

If your score is in this range, you will easily be extended credit and with the best interest rates available.

740 - 799

VERY GOOD

If your score is in this range, you will easily be extended credit and with better interest rates.

670 - 739

GOOD

If your score is in this range, you are likely to be extended credit by lenders, but at interest rates somewhat higher than the best available.

580 - 669

FAIR

If your score is in this range, you are likely to be extended credit by lenders, but at interest rates much higher than the best available.

300 - 579

POOR

If your score is in this range, you may have difficulty being approved for new credit.

How do you find your credit score?

Check your statements.

Many credit card issuers provide credit scores with their regular monthly statements.

Talk to a nonprofit counselor.

Nonprofit credit counselors and U.S. Department of Housing and Urban Development (HUD)-approved counselors can provide you with your score for free, along with other financial services.

Buy your score.

You can buy your score directly from the three major credit bureaus: Equifax, Experian, and TransUnion.

Apply for credit.

In some cases, a lender may tell you your credit score for free when you apply for credit--such as a mortgage, auto loan, or credit card.