

My Financial Health

PLAN



What Makes Up Your Credit Score?

- ◆ **35%** = Payment History
(i.e. on-time pays or delinquencies)
- ◆ **30%** = Amount Owed
(a.k.a. Capacity)
- ◆ **15%** = Length of Credit
- ◆ **10%** = New Credit *(accumulation of debt in the last 12-18 months)*
 - ◇ # of inquiries
 - ◇ Opening dates
- ◆ **10%** = Type of Credit
 - ◇ Installment *(can raise)* vs.
 - ◇ revolving *(can lower)*

What Actions Hurt Your Score?

- ◆ Missing payments
- ◆ Credit cards at capacity
- ◆ Shopping for credit excessively
- ◆ Opening up numerous trades in a short time frame
- ◆ Having more revolving debts in relation to installment debts
- ◆ Closing credit cards out (this could lower your capacity)
- ◆ Borrowing from finance companies
- ◆ Bankruptcy, Foreclosure & Collections

How Can You Improve Your Score?

- ◆ Pay off or pay down on your credit cards
- ◆ We recommend not closing credit cards as it may decrease capacity
- ◆ Move your revolving debt into installment debt
- ◆ Continue to make payments on time
- ◆ Slow down on opening new accounts
- ◆ Acquire a solid credit history with years of experience

Platinum = 760 & Higher

C Paper = 640-679

A Paper = 720-759

D Paper = 600-639

B Paper = 680-719

E Paper = 599 & Under

MY PLAN TO IMPROVE MY FINANCIAL HEALTH

Date: _____

My Credit Score is: _____

FICO Score Goal: _____

Follow-Up Date: _____

MSR Contact Information:

Name: _____

Phone #: _____

Email Address: _____

This information is for educational purposes only and is not a guarantee of improving your credit score, nor an approval for any loan with MCCU.