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Have you ever wondered how your credit score is compiled?

Here are some tips to help you manage your credit score.

Your score is out of 900. 0 is the lowest and 900 is the highest or best credit.

Any score over 680 is considered to be "A" credit. No one will ever have a score of 900 because as soon as you use your credit your score lowers.

35% of your score is made up of your repayment history. Pay your minimum balance on time rather than your full balance 5 days late. Make sure you bring any past due balances up to date!

30% of your score is based on your balances versus your limits. Keeping your balances under 70% of your available limit will help you to keep your score in good standing. If you have some high balance and some low balance accounts try to distribute your balances to below 70%.

15% of your score is based on your ability to manage different credit accounts. Lenders look for a minimum of 3 different credit accounts on your bureau. Showing different credit accounts in good standing will show lenders how responsible you are with your credit.

10% of your score is based on the average age of your account. Do not close existing credit card accounts, even if you don't want to deal with the company any more. Believe it or not, the credit history is a good thing to have!

10% of your score is based on the amount of inquiries on your credit. Applying for a number of different types of credit gives the perception that you are a credit seeker. Try to keep your inquiries under 6 per year. The exception to this is if you are shopping for a truck, etc. → if you "hit" your bureau several times within a 24 hour period it will count as one hit.

Remember: Your score will lower much quicker than it will increase. Equifax and Trans Union are automated scoring systems so if you know the facts you are empowered with obtaining and maintaining a strong credit score.

It is recommended that, as a consumer, you verify your Credit Report annually to ensure that there is no fraudulent activity occurring in your name. Please visit www.equifax.ca