

# CREDIT REPORT

## OUR ADULT REPORT CARD

**For yourself and your spouse:** Go to [www.AnnualCreditReport.com](http://www.AnnualCreditReport.com) for your free once-a-year report from each of the three credit reporting agencies. Get all three if you haven't seen your credit report before.

You must pay for your credit SCORE, about \$15.00. (once a year is fine)

When you check your own credit, it does not ding your score; when a lender or credit card company or finance company or auto dealer checks it, it will affect (reduce) your score for the next two years.

**GOAL:** credit score of 680 up; 750 is even better; 800 up is excellent.

Any negative items can be removed when they are more than 7 years old. Mortgage lenders give heavier weight to *recent* negative items (past 2-4 years).

**Credit Cards:** Close out all store credit cards from places where you lived before, and all cards you no longer use regularly. However, keep your oldest card, demonstrating a long-term credit history. (Cancelled and closed cards will still appear on your credit history.) Aim to pay off all cards completely.

After all are paid off, use one card regularly, paying it off each month. Use the other cards at least 2-3 times a year, paying them off completely when the bill comes.

**Credit Card Strategy:** to have access to instant credit through having a good payment reputation, but never use the money as a loan unless a financial disaster strikes.

### SCORE REFLECTS:

- ◆ Your financial history
- ◆ Your financial reliability
- ◆ Total debt load
- ◆ Late payments
- ◆ Mortgage amount owed
- ◆ Car loans
- ◆ Bank loans
- ◆ Finance company loans
- ◆ Bankruptcy
- ◆ Foreclosures
- ◆ Current & past addresses

### CREDIT REPORTING

#### AGENCIES:

- Experian**  
P.O. Box 9701  
Allen, TX 75013
- Transunion**  
P.O. Box 2000  
Chester, PA 19022
- Equifax**  
P.O. Box 105518  
Atlanta, GA 30348

### YOUR SCORE:

- A number between 350 and 850.
- Aim for 750 or higher
- Costs about \$15 to see your score
- Pay for your score at least once a year

▶ Know Your Score

▶ Know the contents of your credit report

### For great credit, aim for the following:

no late payments

have only 4 or 5 credit cards: 2 bank cards such as Visa, 1 gaso-line card, and 2 store cards such as Sears

no finance company loans

no bank personal loans

no foreclosures

no unpaid debt judgments

no bankruptcy

no unpaid taxes

no repossessions

home mortgage loan is a bonus to credit if always paid on time

visit:

[www.annualcreditreport.com](http://www.annualcreditreport.com)