

Ways To Improve Your Credit Score

Follow these 10 steps and you can improve your credit score. This will result in lower interest charges for you. You can save thousands of dollars in the future.

10. Check your credit report every year. Knowing your credit score is the first step in improving it. In this age of identity theft you might find someone using your name and credit history and fix it before the police come calling.
9. Don't apply for new credit cards that you don't need. This could lower your score.
8. Try to keep your credit balances as low as possible. You can also ask the lender to increase your credit limit which can increase your credit score.
7. Correct any incorrect information on your report. Credit reporting agencies are notorious for the errors they have on credit reports. If you find an error call the credit reporting agency and tell them about it. If it is the bank or store's fault get them to fix it.
6. If you have damaged credit, consider opening new accounts and paying them off promptly. This can add 30 points to your score in a year.
5. If you do not have credit, consider getting a secured credit card. This is a credit card where the consumer makes a deposit to the credit card company (\$500, for example). He then has \$500 worth of credit on his card. This is a great way to establish or re-establish credit.
4. Pay bills on time, since any payments more than 30 days late will affect the credit score. Note that a bill issued March 15 with a due date of March 31 does not become 30 days late until April 30, but if you have the means, pay earlier rather than later. A single late payment may result in a drop of over 20 points.
3. To minimize the number of inquiries on your credit report don't apply for multiple credit cards . If your credit rating is important to you, then you also need to consider that when you shop from lender to lender, there is an accumulation of inquires on your credit bureau report, affecting your credit rating and ultimately the rate and terms of your mortgage. This isn't the case with a mortgage broker who only does one inquiry yet can still get many competing lenders to quote on your business.
2. After you buy a home, don't go out and buy all the furniture to fill it. This will lower your score and pose a problem when the lawyers are closing the deal. Lenders often check your credit 5 days before closing and will refuse funding if the score has dropped too much. Don't be fooled by "Don't pay until 2007" ads. The full cost of the items purchased will be showing on your credit report and lower the score accordingly.
1. And finally the Number 1 way to improve your credit score....

If you fall behind in your payments due to illness, unemployment or family issues, **TALK TO YOUR CREDITORS** to Arrange a payment schedule with them.. Talking to them is a lot better than having them call you with threats of foreclosure or bailiffs' seizures.